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Mutual Defense Treaty With Republic of China

Statement by Secretary Dulles¹

A mutual defense treaty has been signed by the Republic of China and the United States and is now before the Senate for its advice and consent to ratification.

Before discussing the text of the treaty, let me outline the basic considerations which underlie it.

The United States has been developing a pattern of mutual security with other friendly and free nations of the Western Pacific. In 1952 security treaties were concluded with the Philippines, with Australia and New Zealand, and with Japan. In 1953 a security treaty was signed with the Republic of Korea, and in 1954 the Manila Pact was signed.

The considerations which impelled the making of these treaties equally impelled the making of a security treaty with the Republic of China. The territory it occupies comprises an important link in the so-called "island chain" that bounds the western rim of the Pacific. Also the Government of that Republic is strongly anti-Communist and an ally of proved loyalty.

Under these circumstances the omission of the Republic of China began to take on significance. It was suggested that the reason for this omission was that the United States desired to keep open the possibility of trading Taiwan (Formosa) and the Pescadores to Communist China as part of a general settlement in the area.

Such ignoble suggestions were damaging to the morale and prestige of the Republic of China and they reflected on the integrity and honor of the United States itself.

The appearance of discrimination against the Republic of China could not be continued without prejudice to moral and political standards that we need to maintain.

The Republic of China had proposed a security treaty in December of 1953. I then felt that a treaty was in principle desirable but that careful study would be required because of the existence of special factors. These primarily grew out of the fact that hostilities continued between the Republic of China and the Chinese Communist regime, which has *de facto* control of the Chinese mainland.

Such studies took place, and there were exchanges of views through diplomatic channels. In September 1954 I visited Taiwan (Formosa), following the Manila Pact conference, and talked with President Chiang Kai-shek about the treaty and the special problems involved.

Following my return to the United States, it was decided to proceed actively and, to this end, in October 1954, I asked Walter S. Robertson, Assistant Secretary of State for Far Eastern Affairs, to go to Taiwan (Formosa) for further consultation with the Chinese authorities. Subsequent negotiations were conducted at Washington, principally with His Excellency Yeh Kung-ch'ao, Chinese Minister for Foreign Affairs. The Foreign Minister and I initialed the treaty on November 23, 1954, and signed it here in Washington on December 2, 1954.

In these matters, there has been close cooperation on a bipartisan basis with the Foreign Relations Committee and particularly the present chairman, the former chairman, and the members of the Far Eastern Subcommittee. This cooperation has related not merely to the matters of principle involved but also to the terms of the treaty itself.

I should like now to describe those terms.

¹ Made before the Senate Foreign Relations Committee on Feb. 7 (press release 69). For the text of the treaty and statements made at the time of the signing, see *BULLETIN* of Dec. 13, 1954, p. 895. For the President's letter of transmittal and Secretary Dulles' report at the time the treaty was submitted to the Senate, see *ibid.*, Jan. 24, 1955, p. 150.

Analysis of Treaty

The treaty consists of a preamble and 10 substantive articles. The preamble is substantially similar to that of our treaty with the Philippines and other treaties in the Pacific area.

Article I is substantially identical with the first article of the Philippine and ANZUS pacts. It says that the parties will settle their international disputes by peaceful means and in accordance with their obligations under the Charter of the United Nations, and that they will refrain in their international relations from the threat or use of force in any way inconsistent with the purposes of the United Nations.

Article II incorporates in the treaty the principle of the Vandenberg resolution (S. Res. 239, 80th Cong.). The parties pledge themselves, by self-help and mutual aid, to maintain and develop their capacity to resist armed attack. The increasing need for capacity to resist internal subversion as well as external attack, which was reflected in the Manila Pact, is also reflected in this article II of the China treaty. It speaks of "communist subversive activities directed from without against their territorial integrity and political stability."

Article III is similar to the corresponding article of the Southeast Asia Collective Defense Treaty in pledging the parties to strengthen their free institutions and cooperate to promote economic progress and social well-being.

Consultation regarding implementation of the treaty is provided for under article IV.

Article V, substantially identical with article IV of the Philippine treaty and article IV of the ANZUS pact, says that each party recognizes that an armed attack in the West Pacific area against the territories of either party would be dangerous to itself and that each party would act to meet the common danger in accordance with its constitutional processes. Like the other treaties, and in identical language, this article provides for reporting immediately to the Security Council all measures taken to deal with an attack, and for terminating all such measures when the Security Council has taken the necessary action.

Article VI specifies the territories mentioned in articles II and V to be—"in respect of the Republic of China, Taiwan and the Pescadores; and in respect of the United States of America the island territories in the West Pacific under its jurisdiction." It also provides that articles II and

V will be applicable to "such other territories as may be determined by mutual agreement." It is our view that an agreement to extend the coverage of the China defense treaty to additional territories would in practical terms amount to an amendment of the treaty and should be submitted to the Senate for its advice and consent.

Article VII grants to the United States the right to dispose such land, air, and sea forces in and about Taiwan (Formosa) and the Pescadores as may be required for their defense, as determined by mutual agreement. It does not make such disposition automatic or mandatory. A similar provision is found in article IV of the Korean treaty.

Article VIII, substantially identical with article VI of the Philippine and the ANZUS treaties, makes it clear that the obligations of the parties under the treaty do not affect in any way their obligations under the Charter of the United Nations, and recognizes the primary responsibility of the United Nations in maintaining international peace and security.

Article IX requires that the treaty be ratified by constitutional process before it shall come into force.

Article X provides that the treaty shall remain in force indefinitely but that either country may terminate it one year after giving notice. Substantially identical provisions are found in our treaties with Korea and the Philippines.

To summarize—what the treaty would accomplish is this:

It would give the Chinese Communists notice, beyond any possibility of misinterpretation, that the United States would regard an armed attack directed against Taiwan (Formosa) and the Pescadores as a danger to its own peace and safety and would act to meet the danger—such action to be in accordance with our constitutional processes.

It would provide firm reassurance to the Republic of China and to the world that Taiwan (Formosa) and the Pescadores are not a subject for barter as part of some Far Eastern "deal" with the Chinese Communists.

Taken in conjunction with the treaties which have already been concluded by the United States and to which I have referred above, this treaty rounds out the Western Pacific security system. It would be theoretically preferable if that rounding out were accomplished by a multilateral re-

gional pact. This may come as a future development. However, that is not practical at the present time, and, in the meantime, we need to act within the limits of the practical.

Exchange of Notes

After the treaty was signed, there took place an exchange of notes, dated December 10, 1954, between the Chinese Minister for Foreign Affairs and myself.² These were designed to insure that our two Governments will act in harmony and concert in relation to the present troubled state of affairs in that area. It was agreed that offensive military operations by either party from the territories held by the Republic of China would be undertaken only as a matter of joint agreement. This is obviously a reasonable and prudent understanding, because unilateral action of an offensive character by one party might throw heavy burdens upon the other party. Therefore, neither will act in disregard of the other.

It is furthermore agreed that military elements which are a product of joint effort and contribution will not be removed from the treaty area to a degree which would substantially diminish its defensibility unless by mutual agreement. This means, for example, that, if the United States has granted supplies and equipment for the forces on Formosa or has aided in the training, support, and equipment of armed forces, the resultant strength will not be removed from Formosa to other areas without our consent. Otherwise, the United States might be required continuously to replace what we had designed for the defense of Formosa.

The understandings thus expressed are important and reasonable in the light of the existing situation. They are the kind of arrangements which are proper as between friends and allies facing a common danger. They do not in any way impugn the sovereign equality of the parties.

Since this treaty was submitted to the Senate, the Congress has enacted Public Law 4³ authorizing the President to use the armed forces of the United States in relation to Formosa and the Pescadores. The President's request for that authority arose out of Chinese Communist activities which in turn seemed to bear some relationship to the decisions of the United States which would be

solemnized by this treaty and by the Manila Pact, which was approved by the Senate last week.

Relative quiet had prevailed off the China coast since 1949 until on September 3, 1954, the Chinese Communists opened heavy artillery fire on Quemoy Island. That was just 3 days before the opening of the Manila conference which concluded the Manila Pact. Then when it was known that the United States intended to negotiate this Treaty of Mutual Defense with the Republic of China, the Chinese Communists stepped up their anti-American activities. They announced their condemnation to imprisonment of United States flyers. Indeed, that announcement coincided to the very day with the initialing of the security treaty by the Foreign Minister of the Republic of China and myself. Subsequently, Chinese Communist military activities in the Formosa Straits have been greatly intensified as part of what Communist propaganda proclaims to be their intention to exert their full force to conquer Formosa.

On January 24, the Chinese Communist Premier and Foreign Minister said, "The Chinese people must liberate Taiwan (Formosa) and the United States must . . . withdraw all its armed forces from Taiwan (Formosa) and the Taiwan (Formosa) Straits."

Action in Security Council

The armed hostilities in the area seemed so likely to endanger the maintenance of international peace and security that on January 28, 1955, the representative of New Zealand brought the situation to the attention of the U.N. Security Council; and on January 31, 1955, the Council invited a representative of the Chinese Communist regime to participate in the discussion of this item.⁴ On February 3, 1955, the Chinese Communist Premier and Foreign Minister rejected that invitation. In so doing, he referred to this defensive treaty as "aggression" and again demanded that the United States "withdraw all its armed forces from Taiwan (Formosa) and the Taiwan (Formosa) Straits."

I doubt that the Chinese Communists really intend to wage war against the United States unless the United States abandons this treaty with all that that abandonment would imply. However, I do not doubt that the Chinese Communists

² *Ibid.*, Jan. 24, 1955, p. 152.

³ *Ibid.*, Feb. 7, 1955, p. 213.

⁴ *Ibid.*, Feb. 14, 1955, p. 251.

are probing our resolution. They no doubt hope that we want peace so ardently that we will retreat in the face of their threats.

It is true that we want peace and that we want it ardently. However, we do not want it at the price of our security or of our honor. Indeed experience shows that those who try in that way to buy peace in fact only increase the ultimate danger of war. They encourage the aggressors to make ever-mounting demands, so that in the end there is no alternative to fighting.

Under the circumstances which the Chinese Communists themselves have deliberately created, failure to conclude this treaty would have the gravest consequences. It would at once endanger the entire non-Communist position in the Western Pacific and Southeast Asia. It would stimulate the aggressive activities of international communism everywhere and would grievously hurt the interests of free peoples everywhere, including the interests of our own United States.

Such a course is to my mind unthinkable. In the face of Communist probing deeds and blustering words, the United States should remain calm, but it should remain firm in its purpose. It is at least possible that the enactment of Public Law 4 and the ratification of this treaty will together create a situation in which the present warlike mood of the Chinese Communists may subside.

The congressional authority to the President and the treaty ratification are two complementary acts. Under the circumstances that the Chinese Communists have created, neither, alone, is enough.

Therefore, I now urge the prompt consent of the Senate to the ratification of the mutual defense treaty with the Republic of China.⁵

Tachen Islands Operation Completed

Press release 82 dated February 11

The U.S. Naval and Air Forces which have been involved in assisting and covering the redeployment of military forces and the evacuation of civilians from the Tachen Islands have completed this task.

These U.S. forces will now resume their normal

⁵ The Senate gave its advice and consent to ratification on Feb. 9 by a vote of 64 to 6.

operations but will be alert to any concentration or employment of Chinese Communist forces obviously undertaking to facilitate attack upon Formosa and will be prepared to take appropriate military action if required.

Conference of Chiefs of Mission in Far East

Press release 54 dated January 29

A conference of the U.S. chiefs of mission in the Far East is to be held at Manila in late February or early March. The purpose of the conference is to enable the principal U.S. diplomatic officials in the area to confer together on general aspects of far eastern policy and to discuss overall problems.

This conference is another in a series of regional meetings of U.S. ambassadors which are held periodically in the various geographic areas of the world.

It is anticipated that the Secretary of State will attend one or two of the conference sessions following the meeting in Bangkok of the signatories to the Manila Pact.

Discussion on German Assets in the United States

The Department of State announced on February 10 (press release 79) that representatives of the Governments of the Federal Republic of Germany and the United States on that date began conversations on the question of German assets in the United States and the related problem of American war claims against Germany.

This meeting is the result of the decision made jointly by President Eisenhower and Chancellor Adenauer at their meeting in Washington on October 28, 1954, at which time an agreement was reached on the holding of conversations between the two Governments on this subject.¹

Walworth Barbour, Deputy Assistant Secretary of State for European Affairs, heads the American delegation, and the German delegation is headed by Hermann J. Abs, Special Representative of Chancellor Adenauer.

¹ BULLETIN of Nov. 8, 1954, p. 680.

One Decade After V-E Day

by Ray L. Thurston

Director of the Office of Eastern European Affairs¹

Ten years ago the armies of the Allied Powers were poised for the final drive against the forces of Nazi Germany. The coordinated efforts on all fronts resulted in victory for the Allies and an end to hostilities in Europe. We now look back on the intervening 10 years and we ask ourselves how the hopes of peace and justice and international cooperation which inspired our common endeavors have fared in this historic decade.

The principles which guided us in World War II were those upon which our Nation was founded. They were given repeated expression throughout the period of conflict. Who can forget the ringing words of the four freedoms—the freedom of speech and expression, the freedom of every person to worship God in his own way, freedom from want, and freedom from fear? Our conduct of the war was in accord with the principles of the Atlantic Charter—no territorial aggrandizement, the right of all peoples to choose the form of government under which they will live, the abandonment of the use of force for the settlement of disputes.

The Atlantic Charter, which was proclaimed jointly by the Governments of the United States and Great Britain, was the first of many declarations of the Allied aims for the war and after. They culminated in the statement of purposes and principles of the charter of the United Nations: equal rights and the self-determination of peoples, the settlement of international disputes by peaceful means, and refraining from the threat or use of force against the territorial integrity or political independence of any state.

This charter, agreed to so soon after the cessa-

tion of hostilities in Europe, seemed to hold the promise of a peaceful world in which free and independent nations would cooperate for the peace and well-being of their peoples. Certainly, the people of the United States were prepared to devote their energies and thoughts to that goal. What has happened in the meantime to delay and thwart its achievement?

During the period of struggle against the common enemy the people of the United States and of its allies in the West were filled with admiration for the heroic qualities shown by the peoples of the U.S.S.R. in repelling the cruel invasion of their soil. We felt only good will and sympathy for the Soviet people, and we looked forward to continued cooperation and opportunities for increased understanding after the common victory had been won. In this spirit, we relied upon the U.N. Security Council and General Assembly to assure world peace. We, therefore, rapidly demobilized our military forces, concluded peace treaties with Italy, Bulgaria, Rumania, and Hungary, and proceeded to demilitarize West Germany in accordance with the Potsdam Agreement.

Soviet Expansionism

It very soon became clear that the Soviet Government was more concerned with pursuing its own ideological and expansionist aims than in accepting the cooperation and good will of its wartime allies. It continued to maintain large military forces. It chose to disregard its agreements made during the war to collaborate with the United States and the United Kingdom in setting up free and independent governments in Eastern Europe. Relying upon military pressure and Communist subversion, the U.S.S.R. acted unilat-

¹Address made before the Foreign Policy Institute of the Chicago Council on Foreign Relations, Chicago, Ill., on Feb. 11 (press release 80).

erally to bring about the establishment of Communist regimes on the Soviet pattern.

The Kremlin used its military position and its control of foreign Communist groups to consolidate its control over the countries of Eastern Europe and to extend its influence into other areas. For a while the national integrity of Iran, Turkey, and Greece were threatened. Even Western Europe was exposed to the menace of Soviet subversion through the increasing strength of the Communist parties, especially in France and Italy. Through the veto and other obstructionist means the U.S.S.R. attempted to prevent the U.N. from achieving its purposes. The work of the Council of Foreign Ministers in attempting to reach peace settlements with Germany and Austria was likewise obstructed by the Soviet Union.

The Western nations finally awakened to this danger before it was too late and took countermeasures which gradually stemmed and turned the tide of Soviet expansion in Europe. In the spring of 1947, when there was an emergency situation in Greece and a threat to Turkey, the "Truman doctrine" of supporting "free peoples who are resisting attempted subjugation by armed minorities or by outside pressures" was proclaimed. The United States inaugurated the Greek and Turkish aid programs.

In June 1947, the Secretary of State, George Marshall, proposed a plan of American assistance for restoring the confidence of the European people in the economic future of their own countries and of Europe as a whole. The Soviet Union refused to participate or to permit its satellites to do so. The Marshall plan then became a mighty force for the restoration of the economy of the countries of Western Europe which had suffered such destruction and dislocation as a result of the war.

These countermeasures had a large degree of success. The internal conditions in France and Italy improved sufficiently to reduce the political threat posed by the large Communist parties in those countries. The Yugoslav Government took the bold step in the summer of 1948 of asserting its independence from Moscow control. The Berlin airlift in 1948 and 1949 defeated the Soviet attempt to blockade Western Berlin. The Greek Communists were defeated in 1949.

In the summer of 1950 the Soviet-sponsored North Korean Communist regime attacked the Republic of Korea, leading to a long and bitter

struggle which falls outside the purview of this address. However, it is pertinent to stress that here, too, the free world, through the U. N., took resolute action against the aggressor and denied to him the intended fruits of his aggression.

We thus succeeded in stopping and throwing back the Soviet advance. Within their East European orbit, however, they were able to consolidate their position and through the Czech coup in February 1948 to broaden their control.

Within the Soviet bloc, Moscow imposed strict conformity to the Soviet pattern of political, economic, and cultural autarchy. The traditional links between Eastern and Western Europe were systematically cut off. Strict border controls were established, and Western radio broadcasts were jammed. The pattern of prewar trade was sharply altered to favor intrabloc as against East-West exchange. They attempted to shatter the spiritual community of the captive peoples with Western liberal and humanist traditions. The literature and press of these countries was subjugated to the Soviet pattern of uniformity. Religion was subjected to persecution, as in the Soviet Union.

All the harsh features of the police state were introduced—forced labor camps and purge trials with their public "confessions." Farm collectivization on the Soviet pattern was imposed.

Soviet Military Alliances

The U.S.S.R. has further created a system of military alliances within its bloc, consisting of so-called mutual aid and defense pacts between the Soviet Union and Eastern European states, as well as of similar treaties among the latter.

The system of alliances within the Soviet bloc of East European countries was set up chiefly in 1947 and 1948. Soviet alliances with Czechoslovakia and Poland were made during the war against Nazi Germany. In 1947 and 1948 so many bilateral treaties were signed between various members of the bloc as to constitute a tight interlocking network.

These treaties are ostensibly defensive and directed principally against the renewal of German aggression. But, from March 1947 onward, the various treaties also pledge collaboration against attack on the part of any third state threatening the independence or territorial integrity of the signatories. It is obvious that the treaties represent a Moscow-imposed alliance directed against

the West. Yet where in later years free-world defensive alliances were forged, Soviet propaganda had the effrontery to talk about the "impermissibility" of "separate groupings."

It is estimated that the Soviet Union itself has from 175 to 225 line divisions and more than 20,000 combat planes in operational readiness. In addition, the countries of the Soviet bloc in Eastern Europe have a total of 80 divisions and over 2,400 combat planes. The seven Soviet-dominated countries have an aggregate of 1,450,000 effective troops, plus trained reserves of about 2,300,000. The Soviet bloc in Eastern Europe, including East Germany, has over 6,000,000 men under arms.

In the case of Bulgaria, Hungary, and Rumania the maintenance of such large forces is in clear violation of the peace treaties of February 10, 1947. Army ground forces of the three countries were limited by treaty to 56,800, 65,000, and 125,000 respectively. Actually, Bulgaria has over 250,000, Hungary over 200,000, and Rumania over 300,000 men in their ground forces, including security troops. As against 246,800 men in ground forces allowed by the peace treaties, these three countries have altogether more than 750,000, that is, more than three times the treaty limitations.

The other countries of the Soviet bloc—Czechoslovakia, Poland, Albania, and East Germany—have an aggregate of about 700,000 ground-force effectives. They are distributed as follows:

Poland	310,000
Albania	45,000
Czechoslovakia	215,000
East Germany	125,000

The armed forces of the seven Soviet satellites are under close control from Moscow. The nature of this control is indicated by the presence in these countries of Soviet officers serving in advisory and training capacities. According to reliable reports, there are 500 such Soviet officers in Albania; 3,000 in Bulgaria; and 2,500 in Rumania. In Bulgaria, Hungary, and Rumania a number of command positions are held by native officers who served in the Soviet Army during and before World War II. In Poland, the Minister of Defense is Soviet Marshal Rokossovsky and the top command posts are held by high-ranking Soviet officers. There are Soviet military missions in Czechoslovakia, Hungary, and Albania. The armed forces of all the satellites are taught Russian, and the arms and equipment are standardized on Soviet models.

In view of this closely integrated military force

of such magnitude, it is, to say the least, strange that the Kremlin leaders and their satellite stooges have recently been talking of creating a military bloc to oppose the security measures in Western Europe envisioned by the Paris accords. They choose now to talk openly of something which has long been in existence already.

We are led to ask ourselves what the purpose of such a concentration of military forces can be. It was clear that we could not disregard the threat of military aggression posed by the Soviet military bloc. We therefore took measures in concert with the free nations of Western Europe to organize our common defense. The North Atlantic Pact was signed in April 1949. The United States made arrangements to extend military assistance to the countries cooperating in the mutual defense effort. Further, we have sought some means of offering a vigorous and democratic German Federal Republic an opportunity to take part in the defense against the Soviet threat and to lay a groundwork for progress in European cooperation in other fields as well. These plans have culminated in the Paris agreements, which are now in process of ratification.

Two years ago Joseph Stalin, who seemed to have set the stubborn pattern of Soviet behavior on the international scene, died. Certain statements made by Soviet leaders and changes in the Soviet manner of diplomatic behavior caused the world to have hope that the new leaders of the U.S.S.R. would act to relieve the impasse which had long prevented the solution of disputes between East and West.

Two years ago this country inaugurated a new President, a great wartime military leader, who commands the admiration and respect of all Europeans. Our President has spoken out in forceful words concerning the precepts which govern our conduct of world affairs. They bear repeating on this occasion:

First: No people on earth can be held, as a people, to be an enemy, for all humanity shares the common hunger for peace and fellowship and justice.

Second: No nation's security and well-being can be lastingly achieved in isolation but only in effective cooperation with fellow nations.

Third: Any nation's right to a form of government and an economic system of its own choosing is *inalienable*.

Fourth: Any nation's attempt to dictate to other nations their form of government is *indefensible*.

And fifth: A nation's hope of lasting peace cannot be firmly based upon any race in armaments but rather upon

just relations and honest understanding with all other nations.

Atoms for Peace

In December 1953, President Eisenhower made a dramatic move in inviting the nations of the world to participate in an "Atoms for Peace" plan. He proposed that all nations contribute their knowledge and resources in developing peaceful uses of atomic energy to the service of human welfare. This inspiring program, in which it is hoped that all nations will enlist, can help to break down the barriers of fear and distrust in the world.

A year ago the world had a chance to test whether the changes in the Soviet leadership and the new initiative for peace in the United States might make it possible to come to an agreement between East and West. For the first time in 5 years, the Big Four Foreign Ministers met, in Berlin, in another attempt to settle our differences with the U.S.S.R. on the question of Germany, Austria, and European security. It resulted in failure because it clearly revealed that the new leadership of the Soviet Union was just as rigid in its policies as the Stalinist regime and was unwilling to take concrete steps to advance a settlement.

The people of the world were disappointed at the failure of the Berlin Conference. I believe they would be even more disappointed and disillusioned if the free world had abandoned the ideals and principles it upheld there.

Discouraging as the attempts to solve these problems have been, we do not give up hope of an ultimate solution. We believe that we are following a sound and honest policy. We shall not cease our efforts to create the kind of world in which we and all freedom-loving people would like to live. This includes the oppressed people under Soviet domination. We refuse to sanction the permanent enslavement of the peoples of Eastern Europe by the Soviet tyranny. We do not give up our hope that they may again be free to choose their own form of government and to associate freely with other nations.

Shift in Soviet Leadership

Our present situation justifies a feeling of guarded optimism. The threat posed by the Soviet bloc has by no means diminished. In fact,

there have recently come new threatening noises from behind the Iron Curtain. They talk of the necessity for renewed emphasis on heavy industry and armaments. Only a few days ago we were treated to the spectacle of sudden and dramatic changes in the high Soviet leadership accompanied by a vitriolic and threatening speech on foreign policy by Mr. Molotov. I will not speculate here on all the implications in these events, but they do point up sharply the need for continued cohesion and vigilance in the free world.

In view of the heavy armaments load the Soviet and the captive peoples are already forced to bear, we can only feel sorry that they have again been deceived by promises of better living conditions. Certainly there is a vivid contrast between the voluntary association of free states in NATO and in the projected Western European Union and the Moscow-imposed military system of the Soviet orbit. Ours is a defensive arrangement, necessitated by the threat of aggression from the East. It contains assurances that the Western forces cannot be used for purposes of aggression; individual armed action by one of the member countries is precluded.

We are convinced that the peace we are striving for cannot come through letting down our guard. The free world awakened none too soon to the threat of aggression and subversion which was so ominous in 1947. We have achieved considerable progress in coordinating our efforts for security since that time. NATO has become a strong bulwark for military defense. The Balkan Alliance is a welcome reinforcement. The Schuman Plan, the OEEC [Organization for European Economic Cooperation], the EPU [European Payments Union], and the Trieste accords have contributed to increased cooperation and strength in Western Europe. Not unrelated to the improved situation in Europe are the recent settlements concerning Iran and Egypt on the one hand and Great Britain on the other. The Western European Union will make it possible to bring the Bonn Republic into the general defense plan. As a result, we find ourselves in a much better world position.

In close cooperation with our allies, we are determined to press ahead patiently and realistically toward our goal of a peaceful world.

I have attempted in a brief way to outline the progress we have made in the last 10 years toward this goal, in the face of the threat of Soviet aggression. In all our efforts we have continued faithful

to the principles which underlie our democratic form of government and which inspired the victory won in Europe 10 years ago. On the basis of those principles we are confident that some day the threat of war can be banished and the world can enjoy real peace.

Mission of Radio Free Europe

Statement by the President¹

White House press release dated February 8

I am happy to be with you tonight for I strongly believe that Radio Free Europe and the Crusade for Freedom are vital to success in the battle for men's minds.

Many of us learned during the war that the most potent force is spiritual; that the appeal to men's minds produces a dedication which surmounts every trial and test until victory is won.

To toughen, strengthen, fortify such dedication to the cause of freedom is the mission of Radio Free Europe.

Substantial progress has already been made. The free world is growing stronger because its peoples are growing in their determination to stand together and in their faith that freedom and justice will triumph.

Radio Free Europe, each day of the year, nourishes this growth.

Here at home, we Americans face the future with confidence. But we must also face up to the dangers that still lurk about us. We must ever work to strengthen our posture of defense and to reinforce our alliances and friendships in the free world.

While we maintain our vigilance at home and abroad, we must help intensify the will for freedom in the satellite countries behind the Iron Curtain. These countries are in the Soviet backyard, and only so long as their people are reminded that the outside world has not forgotten them—only that long do they remain as potential deterrents to Soviet aggression.

The great majority of the 70 million captives in these satellite countries have known liberty in

the past. They now need our constant friendship and help if they are to believe in their future.

Therefore, the mission of Radio Free Europe merits greater support than before. It serves our national security and the cause of peace.

I have long given the Crusade for Freedom my strong endorsement. I did that because I am familiar with its purposes, its operations, the people who run it, and, perhaps, most important, its hard-hitting effectiveness as an independent American enterprise.

I know that our country and our friends behind the Iron Curtain can count on you for active participation and leadership in this most critical of all battles—the winning of men's minds. Without this victory, we can have no other victories. By your efforts, backed up by America, we can achieve our great goal—that of enabling us and all the peoples of the world to enjoy in peace the blessings of freedom.

Letters of Credence

Italy

The newly appointed Ambassador of Italy, Manlio Brosio, presented his credentials to the President on February 3. For the text of the Ambassador's remarks and the text of the President's reply, see Department of State press release 61 of February 3.

Australian Prime Minister To Be Guest of President

White House press release dated February 7

The Prime Minister of Australia, Robert G. Menzies, will pay an official visit to Washington March 13 to 16, 1955, as the guest of the President. Mr. Menzies will stay at Blair House.

The Prime Minister will arrive in New York March 5 from London, where he is now attending the Conference of Commonwealth Prime Ministers. On March 8 he will travel to Ottawa. He will arrive in Washington on the evening of March 13. Following his official visit the Prime Minister and his party will remain in Washington for a private visit until March 20, when they will depart for San Francisco en route to Canberra.

¹ Made on Feb. 8 by closed-circuit television to meetings held throughout the Nation in support of Radio Free Europe, under the auspices of the American Heritage Foundation.

United States Economic Assistance to Korea, 1945-1954

On November 17, 1954, the Korean Prime Minister, Pyun Yung-Tai, and American Ambassador Ellis O. Briggs initialed at Seoul an Agreed Minute, in which the United States reaffirmed its intention and policy to continue its program of economic aid to the Republic of Korea.¹ The reconstruction and development requirements of the Republic of Korea following 3 years of hostilities and the support of large defense forces were the immediate occasion for the U. S. pledge of continuation of economic aid. Basically, however, the need for economic aid stems from the period before the recent hostilities.

During the 40 years of Japanese colonial rule, the development of Korean resources was geared to the requirements of the Japanese Empire. During this period, and particularly during World War II, Korean natural resources as well as those of other parts of the Japanese Empire were overexploited and its capital equipment deteriorated from undermaintenance. In addition, the Japanese policy of occupying most of the managerial, administrative, and skilled technical positions themselves resulted in a lack of adequately trained personnel to fill the void when these Japanese were repatriated. Since Korea's liberation from Japan in 1945, the economically complementary northern and southern halves have been virtually sealed off from each other, the Republic of Korea being left with an unbalanced economy. The adverse economic consequences of this artificial division on the Republic of Korea were further increased by the very considerable influx of refugees fleeing from the north.

In its effort to overcome these obstacles to reconstruction and self-support, the Republic of Korea has been the recipient of a large amount of foreign aid over the past 9 years. By far the greatest amount of assistance has been extended by the U.S. Government, either directly or through the United

Nations. During the 9 years from the end of World War II to the end of fiscal year 1954, the U.S. Government contributed a total of about \$1.2 billion for the relief and reconstruction of Korea, apart from large direct military expenditures which were used for a military assistance program, for logistical support of Korean forces, and for common-use items such as the construction and repair of transportation, communications, public utilities, warehouses, housing, and many other facilities.

U.S. economic assistance to the Republic of Korea since the Communist invasion in 1950 has assumed even greater proportions than before. During the period from August 1945 to the end of 1948, generally coincident with the era of military government in Korea,² the Department of the Army extended aid amounting to \$260 million from regular military and GARIOA (Government and Relief in Occupied Areas) appropriations.³ Included in the military appropriations was \$39 million of miscellaneous assets turned over to the Republic of Korea by the U.S. Government under the terms of the Initial Financial and Property Settlement Agreement of September 11, 1948. In January 1949 the Economic Cooperation Administration (ECA) assumed responsibility for administering \$114 million of GARIOA supplies in pipeline procured by the Army and \$30 million of fiscal year 1949 unobligated GARIOA funds. In addition,

² The Republic of Korea was established in August 1948, but economic aid under military government appropriations extended beyond that date.

³ Not included is \$75 million of supplies ordered from Japan for the use of the Korean people and civilian-type supplies obtained from surplus military stocks, the latter being financed through an OFLC (Office of Foreign Liquidation Commissioner of the State Department) loan of \$25 million extended in September 1946 to the military government. At present the OFLC loan, which was assumed by the Republic of Korea under the Initial Financial and Property Settlement Agreement, amounts to about \$21 million.

¹ BULLETIN of Nov. 29, 1954, p. 809.

ECA extended \$99 million worth of goods and services from its own appropriations to the Republic of Korea until April 1951 when ECA was phased out of Korean operations. From the outbreak of hostilities in June 1950 to roughly mid-1954, almost \$750 million of U.S. economic aid to the Republic of Korea has been channeled through the Korea Civil Assistance Command (formerly the United Nations Civil Assistance Command Korea), the Foreign Operations Administration (FOA) of the United States, and the United Nations Korean Reconstruction Agency (UNKRA).

By funding sources, the estimated total amount⁴ of U.S. economic assistance may be summarized as follows:

	<i>In millions of U.S. dollars</i>
Military appropriations (Initial Financial and Property Settlement Agreement)-----	39
Government and Relief in Occupied Areas (GARIOA)-----	321
Economic Cooperation Administration (ECA)-----	117
Civilian Relief in Korea (CRIK)-----	304
Military appropriations used for relief-----	133
Foreign Operations Administration (FOA)-----	200
U.S. contribution to the U.N. Korean Reconstruction Agency (UNKRA)-----	74
TOTAL -----	1,188

Objectives of Economic Aid

The objectives of economic aid to Korea have changed with the rapid course of events. While the prevention of disease and unrest among the civilian population was necessarily the primary concern of aid extended by military government, it soon became apparent that additional aid was required. Consequently, the future capacity for self-support and the attainment of an adequate standard of living in the Republic of Korea became matters of major concern. With this in mind, the President of the United States in a message to the

⁴Excludes settlement of Republic of Korea claims against U.S. before Jan. 31, 1949, hwan settlements, military defense assistance program (MDAP), logistical support to Korean armed forces, and relief shipments by U. S. voluntary agencies. Also excluded is an estimated \$400 million from U.S. military sources that were contributed during the period June 25, 1950, to June 30, 1954, for common-use items such as construction and repair of highways, bridges, railroads, communications, and public utilities. These common-use items have been of great importance in the recovery of the civilian economy. It is difficult to assign to them a firm total value.

Congress on June 7, 1949,⁵ outlined the broad purposes of ECA aid to the Republic of Korea:

The debilitated state in which the Korean economy was left by the Japanese has been accentuated by the separation of the hydroelectric power, coal and metal and fertilizer industries of the north from the agricultural and textile industries of the south and by the effects of continuing communist agitation. The United States has furnished the people of South Korea with basic relief during the period of military government. Despite such assistance, however, the Republic is still far short of being able to support itself, even at the present modest standard of living of its people. It is in urgent need of further assistance in the difficult period ahead until it can stand on its own feet economically.

The aid now being provided to Korea is essentially for basic relief. Without the continuation of such relief, its economy would collapse—inevitably and rapidly. Bare relief alone, however, would not make it possible for the Republic to become self-supporting. The Republic would remain dependent upon the continuation of relief from the United States at a costly level into the indefinite future—and subject to the same inevitable collapse at any time the relief should be withdrawn. For these reasons the aid granted should be not for mere relief but for recovery.

At the time of the invasion of the territory of the Republic of Korea by the Communist forces of North Korea and later of China, considerable progress had been made in the economic reconstruction of Korea. Electric power, mining, industrial, and transportation facilities had been restored, and the standard of living, though still slightly below the 1936 level, was improving. Though the country was still far from self-support, its progress in a relatively short time was encouraging.

The outbreak of hostilities in 1950 brought to a complete halt all peaceful reconstruction activities. The repair of facilities—some of them restored to production only recently—the administering to the needs of a large refugee population, and the requirements of active warfare overshadowed all other economic activities. Nonmilitary aid to Korea reverted largely to the relief stage. The prevention of starvation and disease and the care of the refugees and displaced persons preempted all aid funds and the energies of civilian and military agencies concerned with civilian problems.

To meet the enormous requirements for relief and support of the civilian population, ECA used its pipeline supplies and \$32 million of its funds

⁵BULLETIN of June 19, 1949, p. 781.

for relief purposes to the extent possible under statutory limitations. Relief costs were also financed by Civilian Relief in Korea (CRIK) and military appropriations. This program of civilian relief was administered in Korea by the Korea Civil Assistance Command (KCAC), a subordinate organization of the United Nations Command. From June 25, 1950, to June 30, 1954, approximately \$463 million was spent or obligated for relief purposes.

At first, most of the supplies furnished under this program were distributed without charge. But with the stabilization of the frontlines in mid-1951 more and more of these supplies, which as time went on included besides food and clothing such commodities as fertilizer, raw cotton, building materials, and petroleum products, were turned over to the Government of the Republic of Korea for sale to the public as an anti-inflationary measure. Thus, CRIK supplies greatly helped to revive disrupted agricultural and industrial production in the Republic of Korea. The counterpart fund which was created by these transactions served to meet part of the Republic's budgetary deficit.

In addition, the United Nations Korean Reconstruction Agency (UNKRA), which was established by a United Nations resolution (General Assembly resolution 410 V) of December 1, 1950,⁶ to carry out a program of relief and rehabilitation, has been engaged in reconstruction and rehabilitation since late 1952. Through fiscal year 1954, the total amount of government contributions in kind and in cash disbursed by UNKRA was \$112.2 million, of which the U.S. Government contributed \$73.9 million and 35 other member and non-member governments the remaining \$38.3 million.

Recommendations for Large-Scale Program

In the spring of 1953, a mission appointed by President Eisenhower, after a thorough study of the Korean economic and military situation, recommended an integrated, large-scale economic aid and military support program for Korea to be implemented during a period of 3 to 4 years.⁷ The overall objective of this program was to develop a viable Korean economy which would eventually be capable of (a) achieving a standard of living approximating that of 1949-50, (b) sup-

porting a military force adequate to deter external aggression and repel invasions by other than a major military power, (c) promoting rehabilitation and reconstruction, and (d) maintaining monetary and financial stability. After the signing of the truce on July 26, 1953, the 83d Congress, under Public Law 207, made available \$200 million as a special appropriation for economic aid to Korea for the fiscal year 1954, to be administered by FOA.

During fiscal 1954 approximately \$303 million of aid funds was actually obligated or expended as follows:

	<i>In millions of U.S. dollars</i>
Foreign Operations Administration (FOA)-----	200
Civilian Relief in Korea (CRIK)-----	66
U.N. Korean Reconstruction Agency (UNKRA)-----	37
TOTAL-----	303

The 1954 program represented a compromise between the requirements of monetary stability and of rehabilitation and reconstruction. During the Korean fiscal year ending March 31, 1954, the burden of supporting an enlarged armed force was the major cause of the huge budgetary deficit of the Republic of Korea. To neutralize this inflationary potential would have required a reduction of investments in favor of saleables if no additional aid was to be forthcoming. However, reduction of investments would have meant postponement of an expansion of productive activity necessary to favorable employment opportunities, to an increase in national income, to an adequate living standard, and the eventual attainment of a viable economy. Accordingly, on a functional basis approximately half of the funds was designated for investments, one-third for saleables, and the remainder for other miscellaneous purposes. During the U.S. fiscal year 1954, total arrivals of aid goods in Korea amounted to approximately \$160 million (slightly less than \$100 million from fiscal 1954 funds alone).

It became apparent in the spring of 1954 that, with the size of the Korean armed forces then in existence or contemplated, additional U.S. assistance would be required in order to achieve a measure of monetary stability and to insure continuance of the reconstruction program. Before agreeing to grant additional aid under the fiscal 1955 economic aid program, the United States sought the agreement of the Republic of Korea on

⁶ *Ibid.*, Jan. 22, 1951, p. 146.

⁷ *Ibid.*, Apr. 20, 1953, p. 576, and Sept. 7, 1953, p. 313.

certain matters designed to insure maximum effectiveness in the use of U.S. aid funds. That agreement was reached in the Agreed Minute initialed at Seoul on November 17.

For fiscal 1955 the United States has been planning to make available approximately \$280 million in economic assistance alone to Korea. The 83d Congress appropriated Foa funds for this purpose, including the U.S. contribution to UNKRA. In addition, there is a carryover of CRIK funds from the 1954 program. The United States has already allocated \$137 million or 49 percent of the planned fiscal 1955 total. The functional composition of the fiscal 1955 program has not been finally determined yet.

Improvement in Korean Economy

Since the end of hostilities in July 1953, considerable progress has been made in reconstruction and rehabilitation of the Korean economy. Korea's food position has improved remarkably with the imports of grain financed with U.S.-U.N. funds and the increased domestic grain production made possible by the large volume of U. S.-financed fertilizer imports. During the 22-month period from January 1953 through October 1953, U.S.-U.N. agencies imported into Korea more than 661,000 metric tons of grain and 982,000 metric tons of chemical fertilizers. These imports have been supplemented by substantial commercial imports of these commodities with dollars earned from U.N. local expenditures. As a consequence, retail food prices have risen only moderately compared with other items. In both 1953 and 1954 favorable growing conditions and the availability of adequate supplies of fertilizers produced excellent harvests, the rice crop being 8 to 9 percent above normal (1949-53 average). At present the Republic of Korea has a surplus of about 120,000 metric tons above its consumption requirements from the 1953 crop available for export and may have another sizeable surplus from the 1954 rice harvest. Since rice is potentially Korea's most important source of foreign exchange earnings, the resumption of rice exports could represent a significant step toward self-support.

Industrial and mining production in most cases has continued to rise gradually with more adequate supplies of electric power and raw materials available. The index of industrial and mining production for the first 10 months of 1954 was 48 percent

higher than in 1949. Average monthly production of textiles, cement, bicycles, copper wire, cigarettes, electric power, and tungsten during the first 10 months of 1954 exceeded the level of 1949, whereas output of briquettes, ceramic ware, coal and coke, and amorphous graphite was still below the 1949 level. In the textile industry the number of cotton spindles in operation and the number of looms increased by 64 percent and 18 percent respectively during the first 10 months of 1954. Electric-power generation increased further, reaching an all-time high average per hour of 119,206 kw. in October 1954. The previous record high of 112,280 kw. was established in November 1947 and included 80,000 kw. from North Korea.

Both Foa and UNKRA have started large investment projects so that mineral and industrial production and transportation and communications facilities can be further expanded. Some of the larger projects include the rehabilitation of the railroad system, the rehabilitation and new construction of electric-power generating facilities, the building of new fertilizer, cement, and glass plants, and the repair and expansion of city water and telephone systems.

In addition, Korean church, orphanage, education, public health, community relief, and welfare organizations have received aid valued at \$28 million under the Armed Forces Assistance to Korea (AFAK) program. Building materials have been imported into Korea by using CRIK funds earmarked for this program. The U.S. armed forces, by supplying technical assistance and construction equipment, and the Republic of Korea Army, by furnishing labor and some supplies, have cooperated to extend direct aid at the local level. As of November 20, 1954, 1,210 projects had been completed. The AFAK program is, however, gradually being curtailed because of the redeployment of U.S. troops from Korea.

Under the 1953 and 1954 programs UNKRA projects in 2,384 locations had been completed or were under way at the end of August 1954. These projects were concentrated in the fields of education, community development, irrigation, fisheries, transportation, and communications.

Despite these favorable developments, however, the economy of the Republic of Korea is still threatened by inflationary pressures, and the goal of self-support still lies some distance in the future. Seoul wholesale prices rose by 50 percent during the last 6 months of 1954, while black-mar-

ket quotations for U.S. currency and military payment certificates increased by 23 to 27 percent. On the other hand, the rate of monetary expansion appears to have momentarily slowed down during the same period because of the accelerated arrival of aid goods.

Since the end of World War II, inflationary pressures have complicated and increased the severity of the Korean economic problem. The need to deal with the inflationary problem has impeded reconstruction efforts by making it necessary to import large amounts of consumer goods in relation to capital goods. Local currency (hwan) requirements of the large Korean military establishment compete with funds required for investment projects, thus reducing the rate at which investment can be made without sacrificing stability and thereby delaying the achievement of a self-supporting economy. Despite these difficulties, real progress is being made by the United States and the Republic of Korea in their joint effort to build a stronger economy, and the Korean people have reason to anticipate continued improvement in their economic welfare.

• *The above article was prepared in the Division of Research for the Far East.*

FOA Assistance to Korea and the Philippines

The Foreign Operations Administration announced on January 31 that it had made \$43 million available to the Republic of Korea for the purchase of machinery, equipment, and materials from Army stocks in order to accelerate the reconstruction and economic development program.

Items involved include road building equipment, petroleum tankage facilities, railroad equipment and rolling stock, construction equipment and materials, motor vehicles, and a wide range of other goods needed in rebuilding the war-torn country. Most of the items are stockpiled in Korea. Some are to come from Army warehouses in Japan.

The \$43 million transaction brings Foa's total authorizations for nonmilitary aid in Korea so far this fiscal year to \$108 million out of the planned \$280 million program. Additional funds under the \$280 million program have been obligated by the Department of the Army for relief and by the

United Nations Korean Reconstruction Agency for reconstruction.

On February 7 Foa announced added support to the Philippine Government's program for expansion of industry. About \$8 million, representing 40 percent of the Foreign Operations Administration's \$20 million program for the Philippines this fiscal year, is being devoted to industry and mining.

In previous years, emphasis was upon agriculture, education, public health, public administration, transportation facilities, and the surveying of basic resources such as metals, minerals and coal.

FOA has approved a Philippine request to use \$5 million of this year's Foa allocation to finance the import of industrial machinery for private industries. The pesos generated by these imports are to be used primarily in an industrial loan program to spur expansion of existing plants and establishment of new ones.

An Foa-assisted Industrial Development Center was opened in January. It will help businessmen and investors plan and launch industrial ventures, stimulate interest in improved industrial methods, and encourage increased investment in new and improved equipment.

Enlarged manufacturing capacity and increased efficiency are expected to lead to greater Philippine consumption of manufactured goods, increased foreign trade, additional processing and consumption of local materials, increased employment, and a higher living standard. At present, Philippine industry contributes only 15 percent of the national income.

Since U. S. aid programs were started in the Philippines in 1951, less than 10 percent of the funds have gone to the development of industry and mining. Agriculture has taken one-third of the funds, public works another 20 percent, and public health, education, and public administration most of the balance.

In the current fiscal year, with industry taking \$7.9 million of the \$20 million Foa aid fund, agriculture's share is \$4.3 million, transportation \$2.2 million, health and sanitation \$1.8 million, and education and public administration each \$1.6 million. Miscellaneous program costs absorb the remainder. The Philippine Government has been continually increasing its support of the projects which have been launched in these fields.

The Development of United States Policy in the Near East, South Asia, and Africa During 1954: Part II¹

by Harry N. Howard

The Problems of Palestine

The United States was faced with a number of problems arising from the issue of Palestine during the course of 1954, involving the perennial question of frontier incidents, the strengthening of the United Nations Truce Supervision Organization, the Israel-Egyptian controversy over transit of the Suez Canal, the refugee problem, and the development of a regional approach to the water problem. Although the Security Council of the United Nations was busy with various aspects of the Palestine problem during 1954, little was accomplished. Indeed, the Secretary-General of the United Nations reported to the ninth session of the General Assembly in the fall of 1954 that the situation in the Middle East had deteriorated and that the efforts made in the Security Council to improve conditions were "without result."² The Secretary-General offered his services to the parties to facilitate negotiations aiming at the solution of "certain practical problems of limited scope." He felt, however, that—

it should be recognized that the time is not yet here for a peace settlement between the Arab States and Israel. But this should not render impossible the elimination of many points of friction which do not raise any questions of principle. In the meanwhile, it is the duty of the countries concerned to put an end to actions of reprisal which, in a sinister series of attacks and counter-attacks, have cost many innocent lives and have embittered

the relations between the peoples of the region. The situation has been further complicated by steps which have reduced the opportunities for the United Nations organs in the field to render their impartial services to the parties concerned. The existing situation is a matter of deep concern. In the effort to build up the authority of the United Nations as an agent for peace and justice, the co-operation of the Governments of the Members in the area is essential.

Assistant Secretary Henry A. Byroade described the outlook of the United States on the problem of Palestine in an address before the Dayton (Ohio) World Affairs Council on April 9.³ Mr. Byroade reviewed the story of the Middle East, noted its significance for the United States, and described the attempts of the United States to bring about some kind of settlement of the Israel-Arab conflict, including the encouragement of regional defense measures against external aggression. He outlined the conflicting Israel and Arab views of the situation, and then, speaking directly to the parties concerned, said:

To the Israelis I say that you should come to truly look upon yourselves as a Middle Eastern state and see your own future in that context rather than as a headquarters, or nucleus so to speak, of worldwide groupings of peoples of a particular religious faith who must have special rights within and obligations to the Israeli state. You should drop the attitude of the conqueror and the conviction that force and a policy of retaliatory killings is the only policy that your neighbors will understand. You should make your deeds correspond to your frequent utterances of the desire for peace.

To the Arabs I say you should accept this state of Israel as an accomplished fact. I say further that you are deliberately attempting to maintain a state of affairs delicately suspended between peace and war, while at present desiring neither. This is a most dangerous policy and one which world opinion will increasingly condemn if

¹ For Part I of this article, dealing with some basic problems, the Anglo-Iranian oil controversy, the Suez settlement, and the Cyprus question, see *BULLETIN* of Feb. 14, 1953, p. 256. Part III, on U. S. mutual security and assistance programs, will appear in a subsequent issue.

² U.N. doc. A/2663, *Annual Report of the Secretary-General on the Work of the Organization, 1 July 1953-30 June 1954*, p. xlii.

³ *BULLETIN* of Apr. 26, 1954, p. 628.

you continue to resist any move to obtain at least a less dangerous *modus vivendi* with your neighbor.

This address was subject to much criticism from both Israel and Arab sources.

Mr. Byroade spoke again on May 1 before the American Council for Judaism at Philadelphia, referring particularly to recent developments in Soviet policy in the Middle East and pointing to a number of fundamentals in the situation.⁴ In the first place, he saw no likelihood of an early and formal peace settlement between the Arab States and Israel, although he had not lost hope of some kind of *modus vivendi*. He thought the Arab States should accept the existence of Israel but were entitled to know "the magnitude of this new State." Second, the Arab fear of expansionist Zionism should be understood and met not only by the assurances of the great powers but by Israel itself. A third element in the picture was the Arab mistrust of the great powers, especially the United States, with respect to the Arab-Israel controversy, since the Arabs questioned the ability of the United States, the United Kingdom, and France to fulfill their obligations concerning aggression under the Tripartite Declaration of May 25, 1950,⁵ if Israel decided upon "expansive aggression." A fourth lay in the fact that a large portion of the people involved in the Arab-Israel conflict were homeless and that the problem of these desperate refugees was still unsolved, whether by compensation or by repatriation. A solution of this problem, in Mr. Byroade's view, would do more than anything else to reduce the border violence. A fifth aspect of the problem was that the quarrel which divided the Arab States and Israel was not basically religious but essentially a nationalistic quarrel "such as could arise with equal bitterness between two other peoples whose national aspirations clashed." The final fundamental was one of basic attitude—of superiority and contempt for the other on the one hand and of negativism on the other. Mr. Byroade closed:

It is only with a decrease of immediate incidents along the borders and a period of relative tranquillity that minds can turn to an honest approach to more fundamental and underlying causes of this dispute. This atmosphere one would hope would then be conducive to face the real and permanent threat to the whole area. The peoples of the Middle East could then without distraction devote more attention to the greater understanding of the real goals

of Soviet imperialism. With confidence established in their interrelationships, all the states of the Middle East could concentrate and attend their energies to safeguard the precious heritage of freedom to which we all dedicate ourselves. For the plans of Communist imperialism envisage the total destruction of the religions, cultures, and independence of us all. Each one of us must make some sacrifice to attain the preservation of common freedom. The United States for its part has shown that it is willing and anxious to go far toward making this a reality.

REPLY TO AMBASSADOR EBAN

In response to a protest from Israel Ambassador Abba Eban on May 5, Mr. Byroade explained that he had spoken frankly on the underlying causes of the Arab-Israel controversy because it seemed to be increasingly affecting the security of the Middle East and, hence, of the United States.⁶ The American people, in his view, were entitled to such information, especially because of the new evidence of Soviet intentions in the Middle East, but he regretted that the Israel Government had interpreted his remarks on the subject of immigration as an intervention in Israel's domestic affairs. The Israel Government, he said, seemed to have overlooked the basic point that the Arab world did have a fear of Israel expansion, and he hoped that Israel would give serious attention to finding a solution of the problem raised. His address, he said, had merely stated that assurances by the great powers should be supplemented by Israel herself. Israel should find some way to lay at rest this concern of her neighbors and thus remove the specter of fear—which did not seem to him to be based upon reality—from minds in the Middle East. Wise statesmanship might find a way to such accomplishment.

Deputy Under Secretary Robert Murphy sounded much the same note before the Zionist Organization of America on June 24.⁷ Among other things, Mr. Murphy remarked that those in the Department of State who regularly dealt with "ramifications of the problem" were "affected by sympathy and desire to effect solutions" in the interest "of the Jewish community and of our country." But there was "no desire improperly to interfere in the internal affairs of any state."

It remained for President Eisenhower, speaking at the American Jewish Tercentenary Dinner at

⁴ *Ibid.*, May 10, 1954, p. 708.

⁵ *Ibid.*, June 15, 1953, p. 834, n. 2.

⁶ *Ibid.*, May 17, 1954, p. 761.

⁷ *Ibid.*, July 5, 1954, p. 3.

New York on October 20,⁸ however, to state the essence of American policy:

In the Near East, we are all regretfully aware that the major differences between Israel and the Arab States remain unresolved. Our goal there, as elsewhere, is a just peace. By friendship toward both, we shall continue to contribute to peaceful relations among these peoples. And in helping to strengthen the security of the entire Near East, we shall make sure that any arms we provide are devoted to that purpose, not to creating local imbalances which could be used for intimidation or aggression against any neighboring nations. In every such arrangement we make with any nation, there is ample assurance that this distortion of purpose cannot occur.

TENSION ALONG DEMARCATION LINES

While the United States in 1954 continued to pursue a policy of impartial friendship in the Middle East, there was little indication of any lessening of tension along the Israel-Arab demarcation lines following the adoption by the U.N. Security Council of the resolution concerning the Qibya incident on November 24, 1953.⁹ Nor was the Secretary-General of the United Nations, under article XII of the Israel-Jordan Armistice Agreement of 1949, successful in bringing Jordan and Israel together for a special conference at the headquarters of the United Nations, since Jordan insisted that the proper channel for discussion lay within the framework of the United Nations Truce Supervision Organization, not the United Nations Headquarters.¹⁰

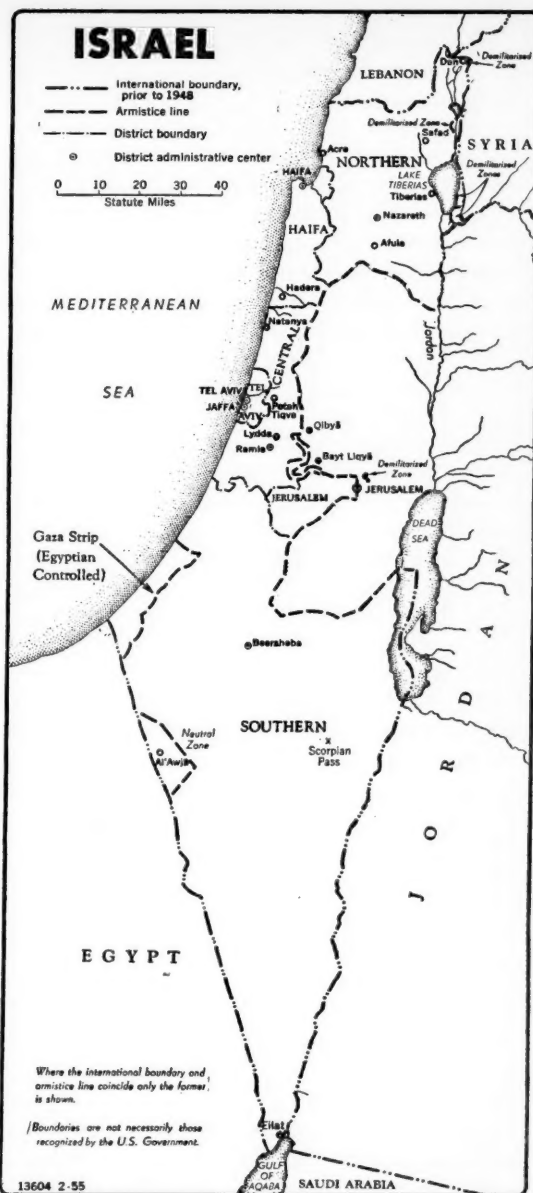
On February 24, 1954, Gen. Vagn Bennike, Chief of Staff of the U.N. Truce Supervision Organization, submitted a report in accordance with the November 24 resolution.¹¹ Among other things, he indicated that there had been no incidents comparable with that at Qibya and that Jordan had taken measures to meet the situation, including: (1) an increase in the number of police assigned to the border area; (2) an increase in the number of patrols; (3) replacement of village mukhtars and area commanders where laxity was suspected; (4) removal from the border area of suspected infiltrators and imposition of heavy sentences on known infiltrators; and (5) effective

⁸ *Ibid.*, Nov. 8, 1954, p. 675.

⁹ For background on the Qibya incident, see *ibid.*, Mar. 1, 1954, p. 329.

¹⁰ United Nations, Security Council, *Official Records*, Ninth Year, Supplement (January, February, and March 1954), pp. 9-22.

¹¹ *Ibid.*, pp. 23-40.



measures, preventive and punitive, to prevent incidents resulting from ploughing across the demarcation line, although the Israel Government protested this interpretation of the situation.

In the weeks which followed there was an increase in tension along the demarcation lines. When the Israel-Jordan Mixed Armistice Com-

mission, under Commander E. H. Hutchison, found it impossible to determine responsibility for an incident at Scorpion Pass on March 17, 1954, in which 11 Israelis were killed, Israel refused to cooperate with that body until Commander Hutchison was replaced (October 11, 1954). A series of incidents followed at Nahhalin on March 29, in which nine Jordanians were killed and 17 wounded, the Jordan Government charging that an Israel task force was involved.¹²

Ambassador Eban called on Secretary Dulles on March 25 to discuss Israel-Arab relations with particular reference to the incident at Scorpion Pass and existing border tensions. The Secretary repeated his deep regret at the loss of life involved but pointed out that the Israel-Jordan Mixed Armistice Commission had not been able to identify the criminals and stressed the necessity for forbearance on the part of all parties and the avoidance of statements or acts which might further disturb the general situation. He also indicated that the United States fully supported the U.N. Truce Supervision Organization and believed that both parties should cooperate with the Mixed Armistice Commission. In particular, the Secretary expressed his hope that Israel would cooperate with the Israel-Jordan Mixed Armistice Commission in further efforts to identify and bring the perpetrators of the ambush to justice.

In reply to Ambassador Eban's request that the United States join the United Kingdom and France in bringing the situation to the attention of the Security Council, Secretary Dulles stated that the United States would exchange views with these Governments, which, he understood, were also being approached by the Israel Government. Mr. Dulles also stated his belief that both parties should adhere faithfully to their obligations under the armistice agreement of 1949 and said he hoped that they would cooperate with the Mixed Armistice Commission in investigating all the facts of the situation and that Jordan would live up to its obligations under article XII of the armistice agreement.

The problem of frontier incidents and tensions came before the Security Council during April and May, but there was no concrete action.¹³ An outbreak of violence in Jerusalem, June 30-July 3,

¹² For reports of the Truce Supervision Organization on the Nahhalin and Scorpion Pass incidents, see U.N. docs. S/3251, 3252.

1954, brought forth a message on July 1 from the United States to both Jordan and Israel, in which the United States deplored the outbreak, with its serious loss of life, and urged both Governments to take immediate steps to insure observance of the cease-fire. The United States also hoped that both Governments would cooperate with the U.N. Chief of Staff in his efforts to terminate the clash.¹⁴

Incidents continued throughout the summer, especially along the Israel-Jordan demarcation lines, and shortly after becoming Chief of Staff of the U.N. Truce Supervision Organization on September 2, 1954, Maj. Gen. E. L. M. Burns was impelled to complain of lack of cooperation, particularly on the part of Israel.¹⁵ In connection with an incident in the Bayt Liqya area early in September, he declared that the holding of military maneuvers in Israel near the demarcation lines increased anxiety on the other side. It was necessary—

that the Governments should keep the situation well in hand, that they should take all possible measures to avoid incidents, that illegal crossings of the demarcation line should be as far as possible prevented, that only well-trained and disciplined military or police personnel be employed in the first line of the defensive organizations

¹³ For the discussions of Apr. 8, 12, 27, and May 4, see U.N. docs. S/PV. 665-670. On Apr. 20 the Jordan Parliament publicly thanked Andrei. Vyshinsky, the Soviet representative, for his efforts in the Security Council in supporting the Arab position. Ambassador Eban stated on May 4 that Israel casualties between June 1949 and Mar. 23, 1954, had reached 518, of whom 300 had been wounded and 218 killed. The Truce Supervision Organization was able to verify that 37 Israelis were killed and 32 wounded between June 1949 and May 20, 1954, while some 101 Jordanians were killed and 76 wounded, with Israel held responsible for 80 violations of the armistice agreement and Jordan 60. Between May 9 and Dec. 6, 1954, it appears that Israel was held responsible for 18 violations and Jordan 3, and that 29 Jordanians were killed and 18 wounded, while 6 Israelis were killed, according to the verified estimates of the Truce Supervision Organization. There were, of course, other casualties in incidents for which responsibility was not determined. While the major problem has always been along the Israel-Jordan demarcation lines, it may be observed that the Security Council condemned Israel 9 times and Egypt 20 times for violations of the Israel-Egyptian Armistice Agreement between April and December 1954, and condemned both Israel and Syria for a violation of the Israel-Syria Armistice Agreement.

¹⁴ BULLETIN of July 12, 1954, p. 48. The Truce Organization was unable to fix responsibility for the outbreak in Jerusalem. See U.N. docs. S/3258, 3259, 3260, 3264, 3269/Corr. 1, 3275, and 3278.

¹⁵ U.N. doc. S/3290, p. 6.

of both parties, particularly in the sensitive areas like the Jerusalem area.

COMPLAINT AGAINST EGYPT

Meanwhile, on January 28, 1954, Israel had urgently requested the Security Council to consider its complaint against Egypt concerning (1) restrictions on the passage of ships trading with Israel through the Suez Canal and (2) Egyptian interference with shipping proceeding to the port of Eilat on the Gulf of Aqaba, in alleged violation of the resolution of the Security Council of September 1, 1951, and of the Egyptian-Israel General Armistice Agreement of February 24, 1949.¹⁶ The Security Council considered the Israel complaint in eight sessions between February 4 and March 29. During the discussion on February 5 Ambassador Eban noted the importance of the problem of freedom of the seas and of fidelity to international conventions and accused Egypt of establishing a general blockade against Israel in violation of the resolution of September 1, 1951, and of the Constantinople Convention of 1888, under which the Canal was to be "always free and open in time of war as in time of peace to every vessel of commerce or of war without distinction of flag." In turn, the Egyptian representative stressed that Egypt was not employing a blockade or interfering with freedom of commerce but was exercising the right of search as a matter of self-defense, since the armistice of 1949 had not brought peace.

At the close of the discussion a resolution submitted by New Zealand was brought to a vote. It recalled the resolution of 1951, noted with "grave concern" that Egypt had not complied with it, and called upon Egypt to remove restrictions on Suez Canal traffic. It also indicated that the Egyptian-Israel Mixed Armistice Commission should deal with the problem of transit of Aqaba. While eight representatives, including Ambassador Lodge of the United States, supported the resolution, the Soviet Union and Lebanon opposed, with the Soviet vote constituting a veto.¹⁷

The problem of the Suez Canal came before the Security Council again between October and De-

cember 1954, on a complaint by Israel that on September 28 Egypt had seized an Israel vessel, the SS. *Bat Galim*, which was involved in a test of the Egyptian restrictions in the Suez Canal. While the discussion of the question, except for the specific application, was along the lines which had become familiar both in 1951 and in the winter and spring of 1954, no decision emerged. On December 4, however, the Egyptian Government indicated that it was preparing to release the crew of the *Bat Galim* as soon as the necessary formalities had been completed, and was ready to release the seized cargo immediately.¹⁸

The Egyptian Government announced its intention to release the *Bat Galim* on December 23, and on January 1 it did release the crew. During the further discussion of the case on January 4, 1955, in the Security Council, Ambassador Lodge indicated that the "sole desire" of the United States was "to see a just and equitable settlement of the outstanding problems between Israel and her neighbors."¹⁹ He said he did not believe that this could be accomplished "without strict adherence by both sides to the decisions of the Security Council, taken in accordance with its responsibilities for the maintenance of peace and security, and strict adherence to the provisions of the armistice agreements." He also declared that Egyptian restrictions on transit of ships through the Suez Canal, whatever the direction or the flag, were "inconsistent with the spirit and intent of the Egyptian-Israeli General Armistice Agreement, contrary to the Security Council resolution of September 1, 1951, and a retrogression from the stated objectives" to which both sides were committed in signing the armistice agreement. Ambassador Lodge hoped that both Israel and Egypt would take further steps to reduce tensions and believed there had been some lessening of tension in connection with the Palestine question during 1954.

Meanwhile, the Arab States had all protested against the plans for the presentation at Jerusalem of the credentials of the new American Ambassador to Israel, Edward B. Lawson. The Arab

¹⁶ U.N. doc. S/3168. In turn the Egyptian Government complained on Feb. 3 of an incident at Al' Auja on Oct. 3, 1953 (S/3172, 3174, 3179). For a general review, see A/2663, *Report of Secretary-General* (1954), pp. 25-26.

¹⁷ U.N. docs. S/PV. 657-664; S/3188/Corr. 1. The Soviet Union had also vetoed a resolution dealing with Israel actions in the Syrian-Israel demilitarized zone.

¹⁸ U.N. docs. S/PV. 682-686; S/3296, 3297 and Corr. 1/3298, 3300, 3302, 3309, 3310, 3311, 3315, 3319, 3323, 3325, 3326. It may also be noted that the Syrian Government complained against an Israel action in forcing a Syrian passenger plane, flying over its regular route, to land at Lydda, Israel, on Dec. 12, 1954 (U.N. doc. S/3330). The plane was released on Dec. 13.

¹⁹ BULLETIN of Jan. 17, 1955, p. 110.

chiefs of mission in Washington charged on November 3 that such presentation would constitute a change in the previous United States attitude concerning Jerusalem and would be in disregard of "the reaffirmed United Nations resolution on the internationalization of the Jerusalem area."²⁰ In the course of the conversation, however, Secretary Dulles recalled the policy of the United States to look to the United Nations and stated that, following normal practice, the presentation of credentials would be effected by Ambassador Lawson at the place where the Chief of State actually was. The fact that presentation would take place in Jerusalem implied no change in the United States attitude regarding Jerusalem, he said, nor did it imply any change in the location of the American Embassy in Israel, which was at Tel Aviv. When Ambassador Lawson presented his credentials on November 12, he expressed the hope that the friendship between the United States and Israel would be strengthened and said he considered it fitting that Americans, who owed so much of their civilization to the inspiration of the prophets of Israel, should work together with Israel "in the great task of building a modern nation in this ancient land."²¹

GENERAL ASSEMBLY DISCUSSION

The problems of Palestine did not figure prominently in the deliberations of the ninth session of the General Assembly. With the exception of brief reference in the general debate, there was no mention of the political issues. In general, the Arab delegations held to implementation of previous U.N. resolutions as a condition of peace with Israel, and the Syrian delegation, in particular, suggested establishment of a commission to consider the question of the repatriation of refugees, the problem of Jerusalem, and territorial questions.²² On

²⁰ *Ibid.*, Nov. 22, 1954, p. 776. A similar protest was filed with the Government of the United Kingdom before the presentation of the credentials of the British Ambassador on Nov. 10. The Soviet Ambassador had presented his credentials at Jerusalem on June 16, 1954.

²¹ For the text of an address by Ambassador Lawson before the Israel-America Friendship League at Tel Aviv on Dec. 4, see *ibid.*, Jan. 17, 1955, p. 92.

²² See, for example, the remarks of Dr. Mohammed Fadhill al-Jamali (Iraq), Sept. 27, 1954 (U.N. doc. A/PV. 479); Ahmed Shukairi (Syria), Oct. 5, 1954 (U.N. doc. A/PV. 489); Dr. Mahmoud Azmi (Egypt), Oct. 6, 1954 (U.N. doc. A/PV. 492).

the other hand, Ambassador Eban of Israel, speaking on October 6, considered the Syrian proposal "frivolous" and suggested, as a step on the road to peace in the Middle East, the conclusion of pacts of nonaggression and pacific settlements, which would include undertakings to respect the territorial integrity and political independence of signatories and to refrain "from all hostile acts of military, economic or political character."²³

There was considerable discussion of the problem of the Arab refugees from Palestine, now numbering some 950,000. In the end, in a resolution which the United States fully supported, United Nations assistance was extended for a period of 5 more years.²⁴ Likewise approved was a \$26,100,000 allocation to assist in feeding and caring for the refugees and \$36,200,000 more to promote land development and other works programs designed to make the refugees self-sufficient.

The United States fully supported the program, and Ambassador James J. Wadsworth explained on November 19 that the United States approved extension of the Relief Agency for another 5 years, if the Sinai reclamation project, the Jordan-Yarmuk project, and others were begun very soon. But if prompt action were not forthcoming, the attitude of the United States would "inevitably undergo thorough reexamination, as its willingness to continue its support" would "in all probability be based on tangible evidence of progress on the programs of public works within a reasonable time." On November 24 he declared that the resolution clearly reaffirmed the right of the refugees to repatriation and indicated his belief that Israel "ought to satisfy one or the other of the two rights" of repatriation and compensation, although the United States also considered it "essential that the refugees understand that the true destiny of most of them lies in the Arab world."

North African Problems

Because of its concern with broad questions of security and of the well-being and progress of the peoples of the area, the United States maintained

²³ U.N. doc. A/PV. 492.

²⁴ For texts of U.S. statements and of resolution, see BULLETIN of Jan. 3, 1955, p. 24. See also U.N. doc. A/2717, *Annual Report of the Director of the United Nations Relief and Works Agency for Palestine Refugees in the Near East Covering the period 1 July 1953 to 30 June 1954*; A/2826 and Corr. 1; and A/2816.

its interest in the problems of North Africa during 1954. During his visit to the United States in November, French Premier Pierre Mendès-France reviewed events in North Africa which had "created obstacles to the policy inaugurated by the French Government." But he expressed the hope that French proposals would lead to a prompt solution of the problems and stressed that "external influences" had "affected the situation in North Africa and compromised the security" of North Africa. Secretary Dulles declared that he "would give serious consideration to the matter."²⁵ In an address to the General Assembly of the United Nations on November 22, Premier Mendès-France referred in particular to the problem of Tunisia and to the negotiations looking toward the laying of "foundations of a lasting agreement."

After a brief discussion of the problems of Tunisia and Morocco, the General Assembly decided, on December 17, to postpone consideration "for the time being" and expressed confidence that a satisfactory solution would be found.²⁶ The United States had preferred to have no resolution on the question of Tunisia in Committee I but did support the ultimate resolution in the plenary session, since it expressed confidence that the French and Tunisian Governments were working toward a successful solution of that problem.²⁷

• *Mr. Howard, author of the above article, is United Nations adviser for the Bureau of Near Eastern, South Asian, and African Affairs.*

Soil Conservation Expert Goes to Israel on Exchange Grant

The Department of State announced on February 9 (press release 73) that Walter Clay Lowdermilk, consultant to the United Nations on economic development, had left on February 5 for Tel Aviv, Israel, to head the new Department of Agricultural Engineering at the Israel Institute of Technology and to serve as consultant to the Government of Israel for a period of at least 6 months. Dr. Lowdermilk has been awarded a supplemental grant under the International Educa-

tional Exchange Program of the Department of State to enable him to accept these invitations.

In his capacity as head of the Department of Agricultural Engineering at the Israel Institute of Technology, Dr. Lowdermilk not only will direct its activities but will also advise regarding the preparation of syllabi for the soil and water conservation courses, train lecturers, and provide guidance for a research program, in addition to lecturing in these fields. As an adviser to the Government of Israel he will recommend and promulgate sound land and water use policies for the country.

Library Exchanges With India From Interest on Food Loan

Press release 75 dated February 9

Twelve Indian librarians are expected to arrive in the United States for advanced professional training, and a shipment of American books will shortly be on its way to the Indian institutions they represent as a result of the emergency food loan made to India during the summer of 1951. The act of Congress (Public Law 48, 82d Cong.) provided that the first \$5 million paid by the Government of India as interest on the loan to relieve the wheat famine should be available to the Department of State for educational exchanges and the interchange of books and laboratory and technical equipment between India and the United States.¹ Other exchanges of persons, books, and equipment will follow these two initial projects.

The Indian librarians are expected to arrive in Washington on February 14. Their study and training project, which is being carried out under the International Educational Exchange Program of the Department of State with the cooperation of the American Library Association, will be of approximately 5 months' duration. First they will have an introduction to American life and customs at the Washington International Center, to be followed by 3 weeks of lectures and seminars in library science at the University of Chicago. The Indian visitors will then be placed individually in university libraries throughout the country for an opportunity to acquire practical training in the American library system. After that each will spend a month traveling in the

²⁵ BULLETIN of Nov. 29, 1954, p. 804.

²⁶ *Ibid.*, Jan. 3, 1955, p. 30.

²⁷ *Ibid.*, p. 31.

¹ BULLETIN of July 2, 1951, p. 37.

United States. They will come together again as a group when they attend the annual meeting of the American Library Association in July at Philadelphia. They expect to return to India at the conclusion of the meeting.

The book project is designed to help build up the resources of recognized Indian universities. For this purpose the universities first surveyed their needs and then requested the American books that would be most useful to them. To carry out the program in the United States, the Department of State has enlisted the services of the U.S. Information Agency, which has specialized facilities for book exchanges with foreign countries. That Agency has contracted with CARE, Inc. to handle the actual procurement and shipment of the books requested. A total of approximately 32,500 books have been allocated so far to more than 30 Indian universities, government offices, and research institutes.

FOA Approves Additional Funds for Bolivia

The Foreign Operations Administration announced on January 25 the approval of additional funds for Bolivia which bring to \$18,060,000 the amount of development and emergency assistance approved to date for that country during the current fiscal year.

The newly authorized funds include \$5 million for development assistance and nonsurplus foodstuffs under the Mutual Security Act and \$8.7 million worth of surplus agricultural commodities from the Commodity Credit Corporation, including wheat and other products under title II of Public Law 480. These funds are in addition to \$3,160,000 for development assistance and \$1.2 million for surplus commodities previously authorized for fiscal 1955.

The agricultural commodities include wheat and wheat flour, hog lard, cottonseed oil, and raw cotton.

Emphasis in the development assistance program is on agricultural development primarily within the Santa Cruz area of Bolivia. The funds are being used to purchase tractors, land clearing and leveling equipment, irrigation and water equipment, farm machinery, road development and

maintenance equipment, fertilizers, insecticides, and seeds.

Last year the Bolivian Government, faced with an economic crisis resulting from falling tin prices, started a general development program for the country after the United States allocated \$12.5 million in development assistance and contributed \$2 million to the emergency food production program to prevent famine and to stimulate economic diversification and development.

TREATY INFORMATION

Economic Aid and Surplus Commodity Agreements With Pakistan

Following are the texts of two agreements between the United States and Pakistan recently signed at Karachi, a defense-support agreement signed on January 11, and an agreement on surplus agricultural commodities signed on January 18.

DEFENSE-SUPPORT AGREEMENT

AGREEMENT BETWEEN THE GOVERNMENT OF PAKISTAN AND THE GOVERNMENT OF THE UNITED STATES OF AMERICA ON UNITED STATES AID UNDER CHAPTER 3—DEFENSE SUPPORT—OF TITLE I IN THE MUTUAL SECURITY ACT OF 1954¹

The Government of the United States of America and the Government of Pakistan,

In order to contribute further to the development of Pakistan's capacity to maintain its independence and security, in a manner which will assist the people of Pakistan in strengthening the economy of their country as a sound basis for a strong democratic society, and

In order to provide the basis upon which the Government of the United States is prepared to extend defense support assistance to the Government of Pakistan,

¹ For an announcement of the signing of this agreement, see BULLETIN of Jan. 24, 1955, p. 157.

Have agreed as follows:

ARTICLE I

The Government of the United States will, subject to the requirements and conditions of any applicable United States legislation and to the availability of funds for this purpose, furnish to the Government of Pakistan such commodities, services or such other assistance as may be requested by it and authorized by the Government of the United States. The two Governments will, from time to time and as necessary, negotiate detailed arrangements to carry out the provisions of this Agreement.

ARTICLE II

For the period ending June 30, 1955, the Government of the United States is prepared to allocate about Sixty Million Dollars (\$60,000,000) for the furnishing of assistance under this Agreement, provided that the two Governments agree on the content of such a program in time to obligate such funds within the periods during which they will be legally available for this purpose. Future allocations of funds by the United States for assistance requested by Pakistan may be made in accordance with this Agreement and subject to the availability of funds for this purpose; the Government of the United States will notify the Government of Pakistan of any such allocations. The two Governments will cooperate to assure that any procurement under this program will be carried out at reasonable prices and on reasonable terms, and in order to achieve the greatest benefit from the assistance will agree on terms and conditions for the distribution and use within Pakistan of items and services which may be made available under this Agreement.

ARTICLE III

A. In order to assure maximum benefits to the people of Pakistan from assistance furnished under this Agreement, the Government of Pakistan will continue to use its best endeavors:

1. To assure efficient use of all resources available to it and to promote the economic development of Pakistan on a sound basis;
2. To assure that the commodities and services

obtained under this Agreement are used exclusively for the purposes for which furnished;

3. To foster and maintain the stability of its currency and confidence in its economic condition; and

4. To take measures insofar as practicable, and to cooperate with other countries, to reduce barriers to international trade and to prevent, on the part of private or public enterprises, business practices or business arrangements which restrain competition or limit access to markets, whenever such practices hinder domestic or international trade.

B. The Government of Pakistan will:

1. Join in promoting international understanding and good will, and maintaining world peace;

2. Take such action as may be mutually agreed upon to eliminate causes of international tension;

3. Make, consistent with its political and economic stability, the full contribution permitted by its manpower, resources, facilities and general economic condition to the development and maintenance of its own defensive strength and the defensive strength of the free world;

4. Take all reasonable measures which may be needed to develop its defense capacities; and

5. Take appropriate steps to insure the effective utilization of any assistance provided by the United States in furtherance of the purposes of such assistance.

ARTICLE IV

The provisions of this Article shall apply with respect to assistance which may be furnished by the Government of the United States of America on a grant basis:

1. The Government of Pakistan will establish in its own name a Special Account (referred to below as the "Special Account") in the State Bank of Pakistan. The Government of Pakistan will deposit in this account amounts of local currency at least equivalent to the dollar cost to the Government of the United States of all commodities, services, and other assistance furnished pursuant to this Agreement. It is understood that such deposits by the Government of Pakistan shall be made not later than forty (40) days after notification has been given to the Government of Pakistan by the Government of the United States that there has been disbursement of funds for commodities or

services furnished to the Government of Pakistan pursuant to this Agreement, except that with regard to the disbursement of funds for goods not intended for sale the Government of the United States may defer the date of deposit of equivalent local currency beyond the specified forty days.

2. It is understood, further, that in the event that there are any sums accruing to the Government of Pakistan, or to any of the States or Provinces of Pakistan from the sale of any commodities, services, or other assistance supplied under this Agreement, or otherwise accruing to the Government of Pakistan or the States or Provinces of Pakistan as a result of the import of such commodities or services, then the amounts deposited in the Special Account shall not be less than the total of any such sales proceeds, provided, however, that computations of and adjustments on such sales proceeds shall be made every six months. Representatives of the two Governments will promptly agree upon necessary reasonable accounting procedures for arriving at aggregate accruals for the purposes of this paragraph. It is understood, further, that the sums accruing from any such sale shall include import duties imposed and collected by any agency of the Government of Pakistan or any of its constituent states. The Government of Pakistan may at any time make advance deposits into the Special Account.

3. The rate of exchange to be used for the purpose of computing the rupee equivalent to be deposited under paragraph 1 of this Article, shall be the par value at the time of notification for the Pakistan rupee agreed with the International Monetary Fund, provided that this par value is the single rate then applicable to the purchase of dollars for commercial transactions in Pakistan. If there is no agreed par value or if there are two or more effective rates that are not unlawful for the purchase of dollars for commercial transactions the particular rates used shall be those effective rates (including the amount of any exchange tax, surcharge, bonus, or value of any exchange certificate) which, at the time of deposit, are applicable to the purchase of other dollars for similar imports.

4. Drawings upon the Special Account shall be made by mutual consent. Such drawings will be made for programs in furtherance of the objectives of this Agreement, as may be from time to time agreed between the two Governments. The

Government of Pakistan will make available to the Government of the United States such amounts (but not to exceed five percent) of the deposits made into the Special Account as may be requested from time to time by the Government of the United States for any of its expenditures in Pakistan, including its administrative and operating expenditures in Pakistan in connection with any assistance supplied by the Government of the United States to the Government of Pakistan under this Agreement. Any unencumbered balance of funds which may remain in the Special Account upon termination of assistance under this Agreement shall be disposed of as may be agreed between the two Governments.

ARTICLE V

1. Any assistance furnished under this Agreement on a loan basis shall be made available subject to the terms of separate agreements to be arranged between the Government of Pakistan and the Export-Import Bank of Washington, an agency of the United States.

2. In the period ending June 30, 1955, it is agreed that of the amount referred to in Article II about Twenty Million Dollars (\$20,000,000) shall be made available on loan terms for the development of Pakistan's economic strength.

ARTICLE VI

The Government of Pakistan will receive persons designated by the Government of the United States to discharge the responsibilities of the latter Government under this Agreement and will permit continuous observation and review by such persons of programs of assistance under this Agreement, including the utilization of any such assistance. The Government of Pakistan will cooperate in facilitating the discharge of these responsibilities by such persons, and will provide the United States with full and complete information relating to programs under this Agreement, including statements on the use of assistance received. Upon appropriate notification by the Government of the United States, the Government of Pakistan will accord such persons and accompanying members of their families, except as may otherwise be mutually agreed, the privileges and immunities specified in paragraphs 4 and 5 of the 1954 Supplementary Program Agree-

ment for Technical Cooperation and Economic Assistance between the two Governments, signed at Karachi on December 28, 1953.

ARTICLE VII

The Government of Pakistan will so deposit, segregate or assure title to all funds allocated to or derived from any program of assistance undertaken by the Government of the United States so that such funds shall not, except as may otherwise be mutually agreed, be subject to garnishment, attachment, seizure or other legal process by any person, firm, agency, corporation, organization or government.

The Government of Pakistan will permit and give full publicity to the objectives and progress of the program under this Agreement and will make public each quarter full statements of operations under it, including information as to the use of funds, commodities and services made available under the Agreement.

ARTICLE VIII

1. This Agreement shall enter into force upon signature and shall remain in force until ninety days after the receipt by either Government of written notice of the intention of the other Government to terminate it, except that arrangements for repayment of loans pursuant to Article V shall remain in force on their own terms.

2. The two Governments will consult at any time at the request of either of them on any matter relating to the application or amendment of this Agreement.

3. This Agreement is complementary to existing agreements between the two Governments and is not intended to supersede or modify them.

DONE at Karachi in duplicate in the English language, this 11th day of January, 1955.

FOR THE GOVERNMENT OF THE UNITED STATES OF AMERICA:

HORACE A. HILDRETH

*Ambassador of the United States of America
in Pakistan*

FOR THE GOVERNMENT OF PAKISTAN:

MOHAMAD ALI

Minister for Finance and Economic Affairs

SURPLUS COMMODITY AGREEMENT

AGREEMENT BETWEEN THE GOVERNMENT OF PAKISTAN AND THE GOVERNMENT OF THE UNITED STATES OF AMERICA ON SURPLUS AGRICULTURAL COMMODITIES UNDER TITLE I OF THE AGRICULTURAL TRADE DEVELOPMENT AND ASSISTANCE ACT OF 1954²

The Government of the United States of America and the Government of Pakistan:

Recognizing the desirability of expanding trade in agricultural commodities between their two countries and with other friendly nations in a manner which would not displace usual marketings of the United States in these commodities or unduly disrupt world prices of agricultural commodities;

Considering that the purchase of surplus agricultural commodities produced in the United States, and products thereof, for Pakistan rupees will assist in achieving such an expansion of trade;

Considering that the rupees accruing from such purchases will be utilized in a manner beneficial to both countries;

Desiring to set forth the understandings which govern the sales of surplus agricultural commodities by the Government of the United States of America pursuant to the Agricultural Trade Development and Assistance Act of 1954, and the measures which the two Governments will take individually and collectively in furthering the expansion of trade in such commodities

Have agreed as follows:

ARTICLE I

Sale for Local Currency

1. Subject to the negotiation and execution of supplemental commodity agreements referred to in paragraph 2 of this Article, the Government of the United States of America undertakes to finance the sale for Pakistan rupees of certain agricultural commodities determined to be surplus pursuant to the Agricultural Trade Development and Assistance Act of 1954 to purchasers authorized by the Government of Pakistan in an amount of approximately \$29.4 million.

2. The two Governments will conclude supple-

² For the text of Executive Order 10560 of Sept. 9, 1954, providing for the administration of the Agricultural Trade Development and Assistance Act of 1954, and related documents, see *ibid.*, Oct. 4, 1954, p. 498.

mental agreements which, together with the terms of this Agreement, shall apply to the sale of commodities and the uses of the currency accruing from such sales. The supplemental agreements shall include provisions relating to the sale and delivery of commodities, the time and circumstances of deposit of such currency, and other relevant matters. The provisions of such supplemental agreements will be incorporated in purchase authorizations issued by the Government of the United States and subject to acceptance by the Government of Pakistan.

ARTICLE II

Uses of Local Currency

1. The two Governments agree that rupees accruing to the Government of the United States of America as a consequence of sales made pursuant to this agreement will be used for the following purposes in the approximate amounts shown:

To help develop new markets for United States agricultural commodities on a mutually benefiting basis; \$2.0 million

To procure military equipment, materials, facilities and services for the common defense; \$14.46 million

To pay United States obligations in Pakistan; \$2.94 million

For loans to promote multilateral trade and economic development, made through established banking facilities of the friendly nation from which the foreign currency was obtained or in any other manner which the President may deem appropriate. Strategic materials, services, or foreign currencies may be accepted in payment of such loans; \$10.0 million

2. The rupees accruing under this agreement shall be expended for the purposes stated in paragraph 1 of this Article in such manner and order of priority as the Government of the United States shall determine after discussion with the Government of Pakistan.

ARTICLE III

General Undertakings

1. The Government of Pakistan agrees that it will take all possible measures to prevent the resale or transshipment to other countries, or use for other than domestic purposes (except where such resale, transshipment or use is specifically ap-

proved by the Government of the United States) of surplus agricultural commodities purchased pursuant to the provisions of the Agricultural Trade Development and Assistance Act of 1954, and to assure that its purchase of such commodities does not result in increased availability of these or like commodities to nations unfriendly to the United States.

2. The two Governments agree that they will take reasonable precautions to assure that all sales of surplus agricultural commodities pursuant to the Agricultural Trade Development and Assistance Act of 1954 will not unduly disrupt world prices of agricultural commodities, displace usual marketings of the United States in these commodities, or materially impair trade relations among the countries of the free world.

3. In carrying out this Agreement the two Governments will seek to assure conditions of commerce permitting private traders to function effectively and will use their best endeavors to develop and expand continuous market demand for agricultural commodities.

ARTICLE IV

Consultation

The two Governments will, upon the request of either of them, consult regarding any matter relating to the application of this Agreement or to the operation or arrangements carried out pursuant to this Agreement.

ARTICLE V

Entry Into Force

This Agreement shall enter into force upon signature.

IN WITNESS WHEREOF, the respective representatives, duly authorized for the purpose, have signed the present Agreement.

DONE at Karachi in duplicate, this 18th day of January, 1955.

FOR THE GOVERNMENT OF THE UNITED STATES
OF AMERICA:

HORACE A. HILDRETH
*Ambassador of the United States of America
in Pakistan*

FOR THE GOVERNMENT OF PAKISTAN:

MOHAMAD ALI
Minister for Finance and Economic Affairs

Surplus Commodity Agreement Signed With Peru

Press release 78 dated February 10

Representatives of the Governments of Peru and the United States signed an agreement at Lima on February 8, 1955, for the sale and delivery to Peru of surplus agricultural commodities having a total value, including transportation costs, of about \$3,630,000.

These commodities will be made available pursuant to title I of the Agricultural Trade Development and Assistance Act (Public Law 480, 83d Cong.). This sale will help to meet deficiencies in the normal Peruvian supply of these commodities.

Payment for these commodities will be made in Peruvian currency, some of which has been set aside for the use of the U.S. Government in the development of agricultural markets in Peru, the payment of expenses of United States agencies in Peru, and the carrying out of student exchange programs between the United States and Peru.

Trade Agreement With Ecuador To Be Terminated

Press release 71 dated February 8

Following conversation over a considerable period of time in Quito between representatives of the Governments of Ecuador and the United States, the latter, in accordance with the provisions of article 19 of the reciprocal trade agreement signed by both countries in 1938, has notified the Government of Ecuador of its intent to terminate the agreement.

Termination will become effective on July 18, 1955, as provided in the 1938 agreement.

This action has been taken in a spirit of full understanding and good will between the two countries, the representatives of which are initiating conversations regarding the conclusion of a mutually satisfactory commercial arrangement in lieu of the reciprocal trade agreement scheduled to expire on July 18, 1955.

Current Actions

MULTILATERAL

Commodities—Rice

Amended Constitution of the International Rice Commission, and Rules of Procedure. Done at Rome December 10, 1953. Entered into force December 10, 1953.

Acceptance deposited: Iran, September 30, 1954.

Telecommunications

International telecommunication convention and final protocol. Signed at Buenos Aires December 22, 1952. Entered into force January 1, 1954.¹

Ratification deposited: Korea, December 28, 1954.

Additional protocols to the international telecommunication convention. Signed at Buenos Aires December 22, 1952. Entered into force December 22, 1952.

Ratification deposited: Korea, December 28, 1954.

BILATERAL

Chile

Agreement relating to an informational media guaranty program in Chile. Effected by exchange of notes at Santiago January 14, 1955. Entered into force January 14, 1955.

Surplus agricultural commodities agreement. Signed at Santiago January 27, 1955. Entered into force January 27, 1955.

Ecuador

Reciprocal trade agreement. Signed at Quito August 6, 1938. Modified by exchange of notes at Quito March 2, 1942. 53 Stat. (Pt. 3) 1951 and 56 Stat. 1472.

Notice of termination given by the United States: January 18, 1955. (In accordance with the provisions of article XIX, the agreement will terminate July 18, 1955.)

Italy

Arrangement relating to certificates of airworthiness for imported aircraft. Effected by exchange of notes at Rome November 12, 1954, and January 26, 1955. Entered into force January 26, 1955.

Arrangement relating to the admission of civil aircraft, issuance of pilots' licenses, and the acceptance of certificates for aircraft and accessories imported as merchandise. Effected by exchange of notes at Washington October 13 and 14, 1931. 47 Stat. 2668.

Article 9 terminated: January 26, 1955 (by the arrangement relating to certificates of airworthiness for imported aircraft of November 12, 1954, and January 26, 1955).

¹ Not in force for the United States.

Advisory Committee Agrees on Agenda for Atomic Energy Conference

Following are the texts of a communique issued at U.N. Headquarters following the first session of the Advisory Committee on the International Conference on the Peaceful Uses of Atomic Energy; a press statement by I. I. Rabi, U.S. representative on the Committee; and a U.N. announcement concerning the conference.

COMMUNIQUE ISSUED JANUARY 28

The Advisory Committee on the International Conference on the Peaceful Uses of Atomic Energy, which has been meeting under the chairmanship of Secretary-General Dag Hammarskjöld at UN Headquarters since 17 January, completed its first session this morning.

The Committee, composed of representatives of Brazil, Canada, France, India, the USSR, the United Kingdom and the United States, agreed on a topical agenda for the Conference and on Rules of Procedure to conduct the proceedings of the Conference.

It is generally agreed that its meetings have been productive and it is hoped that the work done will prove very helpful in the accomplishment of the purposes of the Conference and in its effective functioning.

The Advisory Committee will meet in its second session at a date and place to be determined to review the progress of the preparations for the Conference.

The Secretary-General, in the next few days, will issue invitations to participate in the Conference to the governments of the 60 member states of the United Nations and to the governments of 24 non-member states which are members of United Nations specialized agencies. Arrangements for the participation of the specialized agencies in the Conference will be made by the Secretary-General in consultation with the heads of these agencies.

The Secretary-General thanked the Committee for its advice which has been very useful to him in taking a number of important decisions in connection with preparations for the Conference.

The International Conference on the Peaceful Uses of Atomic Energy will open on 8 August 1955 in Geneva at the European Headquarters of the United Nations. The proceedings of the Conference are scheduled to take 12 working days.

The 24 non-member countries which are members of the UN specialized agencies and will be invited to participate in the Conference are: Albania, Austria, Bulgaria, Cambodia, Ceylon, Finland, Federal Republic of Germany, Jordan, Hungary, Ireland, Italy, Japan, Republic of Korea, Laos, Libya, Monaco, Nepal, Portugal, Rumania, San Marino, Spain, Switzerland, Vatican City and Vietnam.

PRESS STATEMENT BY DR. RABI

U.S./U.N. press release 2111 dated January 29

I am pleased to be able to supplement the brief press release of the Secretariat on the completion of the work of the first session of the Advisory Committee for the Peaceful Uses of Atomic Energy. The Secretary-General will give you in a few days a report of the details of our work so I shall not comment on the specific results of our meetings.

The completion of the first session of the Secretary-General's Advisory Committee for the planning of the International Conference on the Peaceful Uses of Atomic Energy constitutes another forward step in United Nations response to President Eisenhower's initiative in urging international co-operation in the peaceful use of atomic energy. While I am not at liberty to reveal the details of the decisions taken by the Secretary-General on the advice of the committee, I can assure you that these decisions and the views expressed by the majority of the committee on the agenda and procedures of the conference conform entirely with the desire expressed by President Eisenhower that

worldwide investigation into the peaceful uses of fissionable materials should be encouraged.

I believe I am also free to inform you that the United States delegation recommended that the conference to be held in August in Geneva should be a scientific and technical conference with an agenda and rules of procedure which would forestall any effort to turn the conference to consideration of political questions. To be effective in dealing in a 12-day period with the important scientific and technical subjects which it will consider, the conference will necessarily have to concentrate on the important and primary subjects for which it is being called. Fortunately, this view was supported by all of the members of the Advisory Committee save one, and was accepted by the Secretary-General.

The agenda of the conference is comprehensive and will, I believe, be of great interest to the scientists and technicians who are concerned with the peaceful uses of atomic energy. Contributions to the agenda came from all of the members of the Advisory Committee. The Soviet Union's proposed contribution has been widely publicized by Moscow so I think I shall break no confidence in saying there is an item on the agenda under which the report promised by the Soviet Government can be made.¹

The United States and the other members of the committee indicated during the discussions their intention to contribute papers on most of the agenda items. Professor Skobel'tzin, unfortunately, was able to refer only to the single item which I have already mentioned.

The agenda includes items in the field of energy, including electric power; the economics of atomic energy; exploration for raw materials; important sessions on the agricultural, medical, and biological aspects of atomic energy; safety and health factors in the use of atomic energy; the disposal of wastes; as well as some discussions of the questions of theoretical science involved in the peaceful use of atomic energy.

On the rules of procedure, as I have indicated, our principal problem was the nature of the conference. It is the practice in scientific conferences to designate the officers in advance so that they can prepare themselves to lead the discussions on the

various technical subjects. Also, it is usual to avoid voting or the passage of resolutions and to give the officers of the conference broad powers to make preparations for the conference, and to assure the efficient conduct of the business of the conference. There is also provision at such conferences for screening of papers to insure their high scientific and technical quality and to screen out duplication and repetition. Normally, also, when a participant accepts an invitation to the conference, he agrees to abide by the rules of procedure for conduct of meetings, acceptance of papers, etc. With the exception of a single individual, the scientists on the committee advised the Secretary-General to follow these well-accepted procedures rather than procedures which would be appropriate to a conference dealing with political questions. I believe I can assure you that, when you see the rules, you will find them entirely appropriate for a scientific conference.

To summarize, I am pleased with the results of the meeting which we have just concluded. I believe the conference should make a significant contribution to the exchange of information on the peaceful uses of atomic energy among the scientists of the world, and accordingly it should represent a most encouraging response by the United Nations to the proposal of President Eisenhower that we should "find the way by which the miraculous inventiveness of man shall not be dedicated to his death, but consecrated to his life."

PRELIMINARY ARRANGEMENTS FOR CONFERENCE

U.N. press release dated February 1

Invitations to participate in the forthcoming International Conference on the Peaceful Uses of Atomic Energy were sent today [February 2] by Secretary-General Dag Hammarskjöld to the governments of the 60 United Nations member states and to the 24 nonmember states who are members of the U. N. specialized agencies.

The conference will open on August 8, 1955 in Geneva at the European Headquarters of the United Nations. Its proceedings are scheduled to take 12 working days.

At the same time, the Secretary-General transmitted to states members of the United Nations and of the specialized agencies the topical agenda and the Rules of Procedure for the conference as

¹For a statement by Lewis L. Strauss on the Soviet Union's proposed contribution, see BULLETIN of Jan. 31, 1955, p. 170.

agreed upon by the Advisory Committee which met from January 17 to January 28 at U. N. Headquarters under the Secretary-General's chairmanship.

In his letter of invitation, the Secretary-General states that, in accordance with his understanding of the views of the Advisory Committee, he has decided to name Dr. Homi J. Bhabha, Chairman of the Atomic Energy Commission of India, as president of the conference.

Six vice presidents of the conference will be appointed by the Secretary-General, from a list of nominees of their nationalities designated by Brazil, Canada, France, the U. S. S. R., the United Kingdom, and the United States.

Also in his letter of invitation, the Secretary-General states he has appointed Prof. Walter G. Whitman of the Massachusetts Institute of Technology as Secretary General of the conference. In this capacity, Professor Whitman will serve as an officer of the U. N. Secretariat.

Furthermore, the Secretary-General has appointed an internal U. N. Working Party to assist Professor Whitman on matters relating to the conference. This Working Party consists of Dr. Ralph J. Bunche and Ilya S. Tchernychev, Under Secretaries of the United Nations, and Dr. Gunnar Randers, a Norwegian atomic scientist, appointed in December as special consultant to the Secretary-General on preparations for the conference.

Progress Toward Self-Government in the Cameroons

Statements by Mason Sears

*U.S. Representative on the Trusteeship Council*¹

CAMEROONS UNDER FRENCH ADMINISTRATION

U.S./U.N. press release 2107 dated February 1

As usual, the United States delegation will keep its statement short. But in order to bring out a point which we would like to stress, we shall, for a moment, range high and wide over Africa before we come down to expressing our confidence in the

way the Cameroons under French administration are progressing toward self-government.

Mr. President, the meaning of present-day Africa is coming alive right under the eyes, not only of the world outside of Africa, but of the Africans themselves.

Not long ago—in fact, within the memory or two distinguished members of this Council—the tribal people of Africa knew very little about each other. They were separated by difficulties of terrain into isolated regions between which there were practically no communications. All of that has now been changed by airplanes and motor roads.

As a result, the continent, within a relatively few years, has been opened up in every direction, and the airways and highways are still expanding. Distances which took Stanley and Livingstone and the other great explorers months and years to cover now can be flown in less than a day. Today, in consequence, news travels fast and important events in one place are closely followed by people a thousand miles away.

This is creating a body of African public opinion which is steadily growing in importance. Politically speaking this means that many events in the immediate years ahead will have special significance.

During this period, for example, Africans will have many opportunities to mark the birth of a new nation. First will come the Gold Coast, which is expected to achieve independence in 1956. Nigerian independence is likewise in the offing. And when these two nations become self-governing, an opportunity to vote for some form of association with them will undoubtedly be given to the people of British Togoland and the Cameroons.

In 1957 the Sudan will determine its future. Then when Somaliland becomes self-governing by international agreement at the end of 1960, an almost unbroken belt of independent nations will stretch from the Atlantic to the Indian Oceans.

Unless the influence which this will have on African thinking is kept in mind, the examination of affairs in any trust territory would be out of context and unrealistic. As each new nation becomes self-governing, the cumulative effect upon nationalist movements in territories still short of self-government is bound to become more pronounced.

But circumstances differ from territory to territory, and they cannot be expected to become inde-

¹ Made in the Trusteeship Council on Feb. 1 and Feb. 7. For a map showing the administrative divisions of Africa, see BULLETIN of May 10, 1954, facing p. 716.

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pendent all at the same time. In the meantime, the stability of the future which is so important for the Africans depends upon the skill with which these nationalist movements are encouraged to promote their own orderly progress toward self-government.

In this respect, my delegation has complete confidence in the political astuteness of the French administration in the Cameroons. They have no white settler problems and are in a most advantageous position to observe and measure political and economic developments in Middle Africa. They have been in the Cameroons for a long time and have contributed greatly to the Cameroonian people.

Anyone who has visited this very friendly land, as several in my delegation have been privileged to do, cannot help being impressed with what the special representative of France referred to as the dynamic evolution of the territory. From the spick and span communities of the Moslem north, down to the thickly populated regions of the south, there is an atmosphere of activity. New roads are being constructed and old ones extended. Schools and hospitals are being expanded. Experimental housing is under way. And the cordial relations between the French authorities and the Cameroonian people is apparent on every side. One has a feeling that this is no ordinary colonial operation. It is more an operation to raise the standard of living—and as such, deserves our recognition.

And now, Mr. President, I shall conclude. It is my delegation's expectation that French trusteeship will continue to be successful. Above all, we hope that, when self-government comes, the people of the Cameroons will decide to vote by decisive majorities to maintain the closest ties with France.

CAMEROONS UNDER BRITISH ADMINISTRATION

U.S./U.N. press release 2112 dated February 7

The U.S. delegation is exceedingly interested in the Cameroons under British administration and its association with Nigeria. The success of recent political and constitutional developments in this part of Africa shows clearly how mistaken it is to underrate the innate capacity of Africans to undertake political responsibility. We wish it could be matched in those other parts of the world where free political institutions are forbidden.

We were especially impressed by the democratic basis on which the southern Cameroons have established their new House of Assembly. Here the system of ministerial responsibility to the elected members of the Assembly is being gradually introduced under the able leadership of Dr. Endeley, who heads the majority party. It deserves our full confidence and support.

We were also happy to learn that at a time when the democratic rights of opposition parties are often disregarded, and—in some countries—even crushed, an opposition group is not only tolerated but openly encouraged. This example of African wisdom, Mr. President, should be appropriately recorded in the Council's report to the United Nations General Assembly.

These developments clearly justify the faith of the British administrators in the ability of the Cameroonian people to assume rapidly the complex responsibilities of self-government.

Another important aspect of public policy in the Cameroons is that the people are being given an opportunity to determine not only their own local future but their territorial future with Nigeria as well. This is shown by the free atmosphere in which the people in both north and south are looking to their sectional problems and deciding them independently.

We might be tempted in the Trusteeship Council to think that, since the trusteeship territory is an administrative unit, the people of north and south should think the same way and look in the same direction. But they do not, and we are glad that the British administrators recognize their wishes. In the north, for example, the Council has been informed that socially and geographically the people consider themselves as part of northern Nigeria. They do not think of themselves as Cameroonians. In the south, a separate form of autonomous relationship, comparable to a semi-federated region, is desired. But in each case provision is made in the federal government of Nigeria for recognizing the wishes of both sections.

This we believe to be sound and just. In neither case will the identity of north or south be ignored or overridden.

Such step-by-step opportunities to exercise self-determination come to a people seldom in their history. The Cameroonian people, their political leaders, and the British administrators are to be congratulated for the way they are cooperating and working out the destiny of the territory.

They are a vital part of West African political evolution and will have tremendous influence throughout the continent.

With respect to Nigeria, the rapid evolution of self-government in that country, with which the Cameroons have been so long associated, is hastening the day when the present trusteeship agreement will no longer apply. While the termination of the trusteeship has not yet been placed before the Trusteeship Council, it is a matter which is undoubtedly entering into the thinking and planning of the administering authorities and the Cameroonian leaders. The precedents which will have been laid down in the case of British Togoland may throw some helpful light on how it should be handled.

In the meantime, the new forms of political association with Nigeria will give the Cameroonian people a most valuable experience in local government and in national government on a federal basis. This confirms the wisdom of the British Government in writing into the trusteeship agreement a provision for the administration of the Cameroons from Nigeria.

The progress of federation in this territory, consisting of so many diverse peoples and languages, has been of absorbing interest to my delegation. There are probably few cases in history where in such a short time so many obstacles to self-government have been overcome. With its 30 million people and its potential resources, Nigeria will not only be the largest nation in Africa but is destined to play a most important part in the intercontinental affairs of the world.

Both Nigeria and the Cameroons are splendid examples of how readily people can take to self-government if given a helping hand. My delegation believes in their future.

U.S. Delegations to International Conferences

Signatories to Manila Pact

The Department of State announced on February 10 (press release 77) that the following delegation would represent the United States at the meeting of signatories to the Southeast Asia Collective Defense Treaty, opening at Bangkok on February 23:

U.S. Representative

John Foster Dulles, Secretary of State
Special Assistant: John W. Hanes, Jr.

Coordinator

Douglas MacArthur II, Counselor, Department of State
Assistants: Morris N. Draper; William H. Gleysteen, Jr.

Senior Advisers

H. Struve Hensel, Assistant Secretary of Defense
Carl W. McCardle, Assistant Secretary of State
John E. Peurifoy, United States Ambassador to Thailand
Walter S. Robertson, Assistant Secretary of State
Admiral Felix B. Stump, U.S.N., Commander-in-Chief, Pacific

Advisers

Robert Amory
Norbert L. Anschuetz
James D. Bell
Andrew H. Berding
William J. Galloway
Robert Jantzen
William T. Kenny, Captain, U.S.N.
Randolph A. Kidder
Richard F. Silver, Colonel, U.S.A.F.
John L. Stegmaier
Charles Sullivan
Kenneth T. Young

Secretaries of Delegation

Donald B. Eddy
Bruce Grainger

Tenth Pan American Child Congress

The Department of State announced on February 7 (press release 67) that the U.S. Government is being represented at the Tenth Pan American Child Congress at Panama City, Panama, February 6-12, 1955, by the following delegation:

Chairman

Elisabeth S. Enochs, Chief, International Technical Missions, Social Security Administration, Department of Health, Education, and Welfare

Members

Mrs. Rollin Brown, National Congress of Parents and Teachers, Los Angeles, Calif.
Helen B. Chapman, General Federation of Women's Clubs, Washington, D.C.
Elinor H. Christopherson, M.D., American Academy of Pediatrics, Evanston, Ill.
Sarah S. Deitrick, M.D., Director, Division of International Cooperation, Children's Bureau, Social Security Administration, Department of Health, Education, and Welfare
Beatrice M. Faivre, National Conference of Catholic Charities, Washington, D.C.

Bess Goodykoontz, Ph.D., Director, Division of Comparative Education, Office of Education, Department of Health, Education, and Welfare

Thomasine Hendricks, Social Welfare Adviser, Foreign Operations Administration, American Embassy, Panama.

George Narensky, Regional Representative, Bureau of Public Assistance, Social Security Administration, Department of Health, Education, and Welfare

Howard Ross, American National Red Cross, Washington, D.C.

Dorothea Sullivan, Girl Scouts of the United States of America, Washington, D. C.

The Tenth Congress is being held under the joint sponsorship of the American International Institute for the Protection of Childhood and the Government of Panama, and it is a specialized conference of the Organization of American States in accordance with the OAS Charter. Its purpose is to study questions relating to children from the standpoint of health (including pediatrics, maternal and child health, and bio-statistics), education, social welfare, sociology, legislation, and inter-American cooperation.

The Ninth Congress was held at Caracas, Venezuela, January 5-10, 1948.¹

Chemical Industries Committee of the International Labor Organization

The Department of State announced on February 7 (press release 68) that the Chemical Industries Committee of the International Labor Organization (ILO) will hold its fourth session at Geneva, Switzerland, from February 7-19.

The U.S. Government will be represented by the following delegation:

REPRESENTING THE GOVERNMENT OF THE UNITED STATES

Delegates

Horace B. McCoy, Deputy Administrator of the Business and Defense Services Administration, Department of Commerce

William C. Pope, Safety Engineer, Bureau of Labor Standards, Department of Labor

REPRESENTING THE EMPLOYERS OF THE UNITED STATES

Delegates

Maurice F. Crass, Jr., Secretary-Treasurer, Manufacturing Chemists Association, Inc., 1625 I Street NW., Washington, D. C.

¹ For a report on the Ninth Congress, see BULLETIN of May 9, 1948, p. 595.

Embert W. Dwyer, Manager, Personnel Relations, Monsanto Chemical Co., St. Louis, Mo.

Advisers

Henry W. Johnstone, Senior Vice President, Merck & Co., Inc., Rahway, N. J.

Francis J. O'Connell, Director of Industrial Relations, Allied Chemical & Dye Corp., 61 Broadway, New York, N.Y.

REPRESENTING THE WORKERS OF THE UNITED STATES

Delegates

John E. Lewis, Vice President, International Chemical Workers, American Federation of Labor, 5105 Oaklawn Road, Baltimore 7, Md.

Michael Ross, Congress of Industrial Organizations Representative at International Confederation of Free Trade Unions, Brussels, Belgium

The Chemical Industries Committee is one of eight industrial committees established by the ILO to deal with the problems in some of the most important international industries. Representation on each of the committees is tripartite in nature, with government, employer, and worker representatives from member countries.

At the fourth session, the Committee will concern itself primarily with (1) a general report, dealing particularly with (a) action taken in the various countries in the light of the conclusions adopted at previous sessions of the Committee, (b) steps taken by the International Labor Office to follow up the studies and inquiries proposed by the Committee, and (c) recent events and developments in the chemical industries; (2) factors affecting productivity in the chemical industries, with special reference to work study and systems of wage payment; and (3) problems of health and safety in the chemical industries, including the classification and labeling of dangerous substances.

In addition to the United States, the following countries will be represented at the meeting: Argentina, Austria, Belgium, Canada, Chile, Denmark, Finland, France, Federal Republic of Germany, Greece, India, Israel, Italy, Japan, Mexico, Netherlands, Norway, Sweden, Switzerland, United Kingdom.

The third session of the Chemical Industries Committee was held at Geneva, September 9-19, 1952.

FOREIGN SERVICE

Foreign Service Examinations Under New Recruitment Program

The Department of State announced on February 9 (press release 76) that it will conduct the first written examination under its new recruiting program for the U.S. Foreign Service in June 1955. It is hoped that the program will bring approximately 300 new Foreign Service officers into the career corps this year, a number which would be unprecedented for any 12-month period.

Under the revised procedures the written examination will take 1 day, instead of the previous 3 days, and will offer greater opportunities to individuals with specialized backgrounds.

From now on the written examination will be given in 65 cities, and the oral examination which follows will be held in regional centers, rather than being limited to Washington as it has been in previous years. The examinations are open to anyone who meets the age and citizenship requirements.¹

Through this program, the Department is engaged in carrying out recommendations made a few months ago by Secretary Dulles' Committee on Personnel.² One of the major recommendations calls for staffing virtually all officer positions in Washington and overseas with Foreign Service officers, and for integrating Civil Service personnel now filling these positions into the Foreign Service Officer Corps. Since almost all professional vacancies will now be filled from the Foreign Service Officer Corps, there is an urgent need for new officers.

A further recommendation of the Secretary's

¹ For a list of the localities where the examinations will be held and for other details on the recruitment program, see *New Opportunities in the U.S. Foreign Service*, Department of State publication 5748, for sale by the Superintendent of Documents, U.S. Government Printing Office, Washington 25, D. C., 15 cents.

² *Toward a Stronger Foreign Service: Report of the Secretary of State's Public Committee on Personnel, June 1954*, Department of State publication 5458, for sale by the Superintendent of Documents, U.S. Government Printing Office, Washington 25, D. C., 30 cents.

Committee provides for simplifying and expediting the process of examining and appointing Foreign Service officer candidates, although the standards for entrance into the Foreign Service will in no way be lowered.

To be eligible to take the examination, candidates must be at least 20 years of age and under 31, American citizens of at least 10 years' standing, and, if married, married to an American citizen. Starting salaries for successful candidates range from \$4,000 to \$5,000 per year, depending upon the age and experience of the individual. In addition, generous insurance and retirement benefits are granted, as well as annual and sick leave. Those appointed will be expected to serve in any one of the Department's 267 embassies, legations, and consulates in some 77 countries throughout the world as well as in the Department's headquarters in Washington.

In support of the recruiting program a large number of colleges and universities throughout the continental United States will be visited within the next few months by Department personnel representatives. These representatives will talk to and answer questions from young men and women interested in the career Foreign Service of the United States.

The Department representatives will attempt to cover as many colleges and universities as possible during the comparatively short time before the written examination is given in June, and an attempt will be made to visit all of the 48 States. This is in line with the Department's policy to have as wide a geographical representation as possible in the Foreign Service Corps.

THE DEPARTMENT

Designation of Loy W. Henderson as Deputy Under Secretary for Administration

Effective January 26, Loy W. Henderson was designated Deputy Under Secretary for Administration (Department circular 137). As announced on January 11 (press release 14), the position of Deputy Under Secretary for Administration was set up in lieu of the special post of Under Secretary of State for Administration which was established on February 7, 1954, with an expiration date of December 31, 1954.

Mr. Henderson was confirmed by the Senate on January 24 to be Assistant Secretary of State.

Deputy Under Secretary of State for Administration et al.¹

FUNCTIONS AND AUTHORITIES

Pursuant to the authority vested in the Secretary of State by sections 3 and 4 of Public Law 73, 81st Congress, approved May 26, 1949 (63 Stat. 111), and in accordance with the requirements of section 3 (a) (1) of Public Law 404, 79th Congress, approved June 11, 1946 (60 Stat. 238), functions and authorities are hereby prescribed for the positions enumerated below. All prior delegations of authority and public notices which are inconsistent or in conflict with the functions and authorities herein prescribed are, to the extent of such inconsistencies or conflicts, hereby superseded. Nothing contained herein shall authorize the exercise of authority which by law is required to be exercised solely by the Secretary of State.

The Deputy Under Secretary of State for Administration. a. Exercises the authority vested in the Secretary of State by section 3 of Public Law 73, 81st Congress, to "administer, coordinate, and direct the Foreign Service of the United States and the personnel of the State Department."

b. Exercises the authority now or hereafter vested in the Secretary of State or the Department of State with respect to the administration of the Department of State and the Foreign Service.

c. Provides general direction and control of the organizational structure and assignment of functions in the Department of State and the Foreign Service.

d. Directs the administration of the Department's inspection programs.

e. Provides general direction for the use of appropriated funds, for the establishment of program priorities for budgetary purposes, and the administrative implementation of approved substantive policies and programs.

f. Directs and supervises the activities of the Controller of the Department of State, the Administrator of the Bureau of Security and Consular Affairs, and the Director General of the Foreign Service.

g. Prescribes and promulgates such rules and regulations, and makes such delegations of authority as may be necessary to carry out his assigned responsibilities.

Controller of the Department of State.

[For list of Controller's functions, see below.]

Administrator, Bureau of Security and Consular Affairs.

a. Provides technical direction for the consular program of the Foreign Service and directs related work of the Department, including such activities as passport services, protection and welfare of American citizens and interests, issuance of visas, representation of interests of foreign governments, control of international traffic in arms, and policies concerning disclosure of classified military information.

b. Directs the security program of the Department and the Foreign Service.

c. Directs the administration of the Refugee Relief Program established by the Refugee Relief Act of 1953, Public Law 203, 83d Congress (67 Stat. 400).

d. Prescribes and promulgates such rules and regulations as may be necessary to carry out his assigned responsibilities.

Dated: January 26, 1955.

JOHN FOSTER DULLES,
Secretary of State.

Controller of the Department of State

Department Circular 138 dated January 26

1. Establishment of Position

There is hereby established the position of Controller of the Department of State with rank equivalent to that of an Assistant Secretary of State. The Controller shall report to the Deputy Under Secretary of State for Administration and the Office of the Controller is assigned the organization symbol A.

2. Designations

Mr. Isaac W. Carpenter, Jr. is designated Controller of the Department of State. His principal assistants and the organizational components for which they are responsible are designated as follows:

Deputy Controller and Budget Officer, Edward B. Wilber
Office of Budget (OB)

Office of Finance (OF)

Assistant Controller for Personnel, George F. Wilson
Office of Personnel (PER)

Acting Assistant Controller for Operations, Thomas S. Estes

Office of General Services (OGS)

Office of Communications and Records (OC)

Arts and Monuments Staff (A/AM)

Clemency and Parole Board (Japanese War Criminals) (A/CPB)

3. Functions of the Controller

Subject to the general direction of the Deputy Under Secretary for Administration, the Controller of the Department of State shall have the following functions:

a. Develops, establishes, revises and promulgates the organizational structure and assignment of functions in the Department and the Foreign Service.

b. Directs the administration of the personnel program of the Department and the Foreign Service.

c. Directs preparation of budget estimates and the allocation of funds made available to the Secretary or the Department.

d. Establishes relative program priorities for budgetary purposes and supervises the use of appropriated funds in accordance with congressional limitations, program objectives, and policies of the President and the Secretary.

e. Directs the development and operation of administrative management controls including fiscal controls, reporting systems, manuals of regulations and procedures, etc., designed to promote efficient, economical, and effective operation in all areas of the Department and the Foreign Service, and to enforce compliance with established policies and instructions.

f. Directs and provides for the acquisition, maintenance, and operation of buildings, grounds, and other facilities required for use in connection with the Department's operations abroad.

g. Directs and provides procurement, communication, transportation, fiscal and other administrative services.

h. Prescribes and promulgates rules and regulations necessary to carry out his assigned responsibilities, except when such rules and regulations are required by law to be issued by the Deputy Under Secretary of State for Administration or the Secretary of State.

¹20 Fed. Reg. 691.

Foreign Relations Volume

Press release 49 dated January 27

The Department of State announced on February 5 the publication of *Foreign Relations of the United States, 1938, Volume IV, The Far East*. This is the second of a series of five volumes of diplomatic correspondence to be published for the year 1938, volume III, also on the Far East, having been released on December 18. Documents in volume IV continue the record of the undeclared war between China and Japan and deal also with various topics on Japan. The problems arising from the undeclared war treated in volume IV were chiefly those relating to situations endangering American life, property, and treaty rights.

In a memorandum on January 21 to Secretary of State Hull, President Roosevelt noted (p. 243) that reports from China indicated "the Japanese army is either unwilling or unable to afford adequate protection to American property." The President added:

I am inclined to think it is the time to make clear the general situation in China and that it will help to show the distinction between the Japanese Government and the Japanese Army. Few Americans can object to our protection of Americans against an army which is out of the control of its own civilian government at home.

President Roosevelt wrote Mr. Hull again on January 28 (p. 250) and remarked:

If you have not already begun to do so, I think we should start to lay the foundation for holding Japan accountable in dollars for the acts of her soldiers.

He observed that

there is a vast amount of Japanese owned property in the United States and that we have excellent precedent in the Alien Property Custodian Act for holding this property in escrow. Enough said!

Mr. Hull responded on February 3 with a review of the question (pp. 255-257) and concluded that the Trading with the Enemy Act,

as you know, applied only to property of people denominated as "enemies" within the meaning of the Act. It really is a precedent only for a situation where the United States is a belligerent.

On October 15 Ambassador Joseph C. Grew reported at length from Tokyo on discussions with the British Ambassador, Sir Robert L. Craigie, as to the situation created by Japanese aggression in China (pp. 67-72). The use of sanctions as "leverage" was considered, and Mr. Grew stated his conclusion as follows:

Financial or economic sanctions to compel respect for our diplomatic representations depend upon domestic considerations in the United States which we here are hardly in a position to gauge. Naval or military sanctions are highly unwise unless there exists behind them the determination to follow them up if necessary to their logical conclusion. Failing the use of positive leverage we had best continue to follow the policy pursued up to the present. . . .

Subsequently the subject of sanctions was brought up in an informal conversation between the new Japanese Foreign Minister, Hachiro Arita, and the American Embassy Counselor, Eugene H. Dooman. In cabling a report to the Department on November 19, Mr. Grew noted (p. 94) that Mr. Arita argued that the British and American positions were different from the Japanese, since for the Japanese

An army and a navy are incapable of securing the national defenses if attack is made, not by military instruments, but by the withholding from Japan of foreign markets and of essential raw materials.

Japan proposed

to place itself in a position of security against the possible application of sanctions either by the League of Nations or "by nations inside and outside the League."

Writing the British Ambassador on December 7, Mr. Grew summarized (pp. 99-100):

You and I have discussed frankly the possibility of resort to more far-reaching measures in order to resist the further unfolding of Japan's ambitions in China, and . . . , as I do not believe that anything short of force can lead to substantial moderation of Japanese policy in China, I cannot conscientiously recommend to my Government recourse to economic sanctions.

The section of volume IV under the heading "Japan" deals primarily with Japanese political developments related to the critical international situation. Problems of the application of Japanese taxes to American citizens and trade between Japan and the Philippines are also treated. Mr. Grew reported on a political cleavage within the Japanese Government with the Prime Minister, Prince Konoye, and his supporters "more alive than is the Army to the risks of involvement with Great Britain and the United States. . . ."

Copies of this volume (iii, 638 pp.) may be purchased from the Superintendent of Documents, U.S. Government Printing Office, Washington 25, D. C., for \$3.25 each.

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Press releases issued prior to February 7 which appear in this issue of the BULLETIN are Nos. 49 of January 27, 54 of January 29, and 61 of February 3.

No.	Date	Subject
*66	2/7	Holmes nomination as Ambassador to Iran.
67	2/7	Delegation to Pan American Child Congress.
68	2/7	Delegation to Chemical Industries Committee, ILO.
69	2/7	Dulles: testimony on treaty with China.
*70	2/7	Educational exchange.
71	2/8	Trade agreement with Ecuador terminated.
*72	2/9	Educational exchange.
73	2/9	Educational exchange.
†74	2/9	Key: The American Citizen and the U.N.
75	2/9	Library exchanges with India.
76	2/9	Foreign Service examination.
77	2/10	Delegation to Bangkok meeting.
78	2/10	Surplus commodity agreement with Peru.
79	2/10	Discussion on German assets in U.S.
80	2/11	Thurston: One Decade after V-E Day.
†81	2/11	Commission on Educational Exchange.
82	2/11	Evacuation from Tachens completed.

*Not printed.

†Held for a later issue of the BULLETIN.



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Documents in this volume continue the record of the undeclared war between China and Japan and deal also with various topics on Japan. The problems arising from the undeclared war treated in Volume IV were chiefly those relating to situations endangering American life, property, and treaty rights.

The possibility of the use of financial or economic sanctions was considered, but the United States Government continued through 1938 to limit to diplomatic representations its efforts for the protection of American rights and interests in the Far East.

The section of Volume IV under the heading "Japan" deals primarily with Japanese political developments related to the critical international situation. Problems of the application of Japanese taxes to American citizens and trade between Japan and the Philippines are also treated.

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